



FY 2006-07

APPROPRIATIONS REPORT

Part III - Year-End Appropriations

January 2008



Gary S. Olson, Director - Lansing, Michigan - (517) 373-2768 - TDD (517) 373-0543
Internet Address: <http://www.senate.michigan.gov/sfa>

THE SENATE FISCAL AGENCY

The Senate Fiscal Agency is governed by a board of five members, including the majority and minority leaders of the Senate, the Chairperson of the Appropriations Committee of the Senate, and two other members of the Appropriations Committee of the Senate appointed by the Chairperson of the Appropriations Committee with the concurrence of the Majority Leader of the Senate, one from the minority party.

The purpose of the Agency, as defined by statute, is to be of service to the Senate Appropriations Committee and other members of the Senate. In accordance with this charge, the Agency strives to achieve the following objectives:

1. To provide technical, analytical, and preparatory support for all appropriations bills.
2. To provide written analyses of all Senate bills, House bills, and Administrative Rules considered by the Senate.
3. To review and evaluate proposed and existing State programs and services.
4. To provide economic and revenue analysis and forecasting.
5. To review and evaluate the impact of Federal budget decisions on the State.
6. To review and evaluate State issuance of long-term and short-term debt.
7. To review and evaluate the State's compliance with constitutional and statutory fiscal requirements.
8. To prepare special reports on fiscal issues as they arise and at the request of members of the Senate.

The Agency is located on the 8th floor of the Victor Office Center. The Agency is an equal opportunity employer.



Gary S. Olson, Director
Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536
Telephone (517) 373-2768
TDD (517) 373-0543
Internet Home Page <http://www.senate.michigan.gov/sfa>

SENATE APPROPRIATIONS COMMITTEE

Senator Ron Jelinek, Chair*

Senator John Pappageorge, Vice Chair*

Senator Bill Hardiman

Senator Roger Kahn, M.D.

Senator Alan L. Cropsey

Senator Valde Garcia

Senator Tom George

Senator Mark C. Jansen

Senator Cameron S. Brown

Senator Michelle A. McManus

Senator Tony Stamas

Senator Michael Switalski, Minority Vice Chair*

Senator Glenn S. Anderson

Senator Jim Barcia

Senator Liz Brater

Senator Deborah Cherry

Senator Irma Clark-Coleman

Senator Martha G. Scott

**Senate Fiscal Agency Governing Board Member*

TABLE OF CONTENTS

	<i>Page</i>
 <i>APPROPRIATIONS OVERVIEW</i>	
Overview	1
Table 1: FY 2006-07 Year-End Appropriations by Source of Funds.....	6
Table 2: FY 2006-07 Year-End Appropriations - Adjusted Gross	7
Table 3: FY 2006-07 Supplemental Appropriations Summary - Adjusted Gross.....	8
Table 4: FY 2006-07 Year-End Appropriations - Total State Spending	10
Table 5: FY 2006-07 Supplemental Appropriations Summary - Total State Spending.....	11
Table 6: FY 2006-07 Year-End Appropriations - General Fund/General Purpose	13
Table 7: FY 2006-07 Supplemental Appropriations Summary - General Fund/General Purpose	14
Table 8: FY 2006-07 Merit Award Trust Fund - Final Year-End Expenditures and Revenue.....	16
Table 9: FY 2006-07 General Fund/General Purpose Revenue, Expenditures, and Year-End Balance	17
Table 10: FY 2006-07 School Aid Fund Revenue, Expenditures, and Year-End Balance	18
Table 11: FY 2006-07 Index of Appropriations Acts	19
 <i>DEPARTMENTS/BUDGET AREAS</i>	
Agriculture	25
Attorney General	28
Capital Outlay	30
Civil Rights	31
Civil Service	33
Community Colleges	34
Community Health.....	35
Corrections.....	47
Education	52
Environmental Quality - Clean Michigan Initiative	54
Environmental Quality - Operations	55
Executive Office	59
Higher Education.....	60
History, Arts, and Libraries.....	63
Human Services.....	64

DEPARTMENTS/BUDGET AREAS (Continued)

	Page
Information Technology	73
Judiciary	74
Labor and Economic Growth	75
Legislative Auditor General	80
Legislature.....	81
Management and Budget.....	82
Military and Veterans Affairs	84
Natural Resources	87
Natural Resources Trust Fund.....	91
School Aid	92
State	94
State Police	96
Transportation	100
Treasury - Debt Service	102
Treasury - Operations	103
Treasury - Revenue Sharing.....	105
Treasury - Strategic Fund Agency	106

APPROPRIATIONS OVERVIEW

FY 2006-07 YEAR-END APPROPRIATIONS OVERVIEW

During August 2006, the Michigan Legislature and Governor Granholm completed the initial action on the fiscal year (FY) 2006-07 State budget. The initial budget was based on the May 2006 consensus revenue estimates and appropriations enacted into law. Subsequent to the enactment of the initial FY 2006-07 State budget, actual revenue collections fell below the May 2006 consensus revenue estimate and actual expenditures in several State departments exceeded the levels in the initial appropriation bills. This combination of revenue shortfalls and expenditure increases led to sizeable projected deficits in the FY 2006-07 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) budgets. The projected budget deficits were eliminated by a combination of appropriation reductions and revenue adjustments. This Senate Fiscal Agency (SFA) report provides a summary of the changes in the FY 2006-07 budget that occurred between the initial budget for the fiscal year and the final budget at the close of the fiscal year.

At the close of FY 2006-07, the Michigan Legislature had approved and Governor Granholm had signed into law Adjusted Gross appropriations that totaled \$41.9 billion. This represents an increase of \$179.5 million over the initial level of Adjusted Gross appropriations enacted at the beginning of the fiscal year. A detailed summary of the initial FY 2006-07 appropriations is contained in the SFA's *FY 2006-07 Appropriation Report: Part II – Initial Appropriations* published in September 2006.

The changes made to the initial set of FY 2006-07 appropriations included the enactment of 10 supplemental appropriation bills, the approval of Executive Order 2007-3, which reduced enacted appropriations, changes in the level of revenue sharing payments to cities, villages, and townships, and the approval of legislative transfers that had the impact of changing funding levels between different fund sources in several departments. In order to maintain a balance between appropriations and estimated revenue, there were also several adjustments to revenue enacted throughout the fiscal year. This SFA report discusses these adjustments in detail as they affect each separate departmental and agency budget. In addition, this report provides a brief summary of the final year-end balances of the FY 2006-07 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) budgets.

Table 1 provides a summary of the final FY 2006-07 appropriations by source of funds. Final Adjusted Gross appropriations totaled \$41.9 billion, which included \$13.4 billion of Federal funds, \$487.2 million of local and private funds, \$18.8 billion of State Restricted funds, and \$9.1 billion of GF/GP appropriations. Table 2 provides a summary of Adjusted Gross appropriations. The initial Adjusted Gross appropriations totaled \$41.7 billion, supplemental appropriations totaled \$622.1 million, Executive Order 2007-3 reduced appropriations by \$407.9 million, reductions to revenue sharing payments totaled \$35.5 million, and other fund transfers totaled \$0.8 million. Table 3 provides a summary of the Adjusted Gross appropriations contained in the 10 supplemental appropriation bills.

Table 4 provides a summary of the final level of State Spending from State Resources appropriations. The initial State Spending from State Resources appropriations totaled \$28.0 billion, supplemental appropriations totaled \$283.2 million, Executive Order 2007-3 reduced appropriations by \$347.5 million, reductions to revenue sharing payments totaled \$35.5 million, and other fund transfers totaled \$4.1 million. Table 5 provides a summary of the State Spending from State Resources appropriations contained in the 10 supplemental appropriation bills.

Table 6 provides a summary of the final level of GF/GP appropriations. The initial GF/GP appropriations totaled \$9.2 billion, supplemental appropriations totaled \$170.2 million, and Executive Order 2007-3 reduced appropriations by \$274.2 million. Table 7 provides a summary of the GF/GP appropriations contained in the 10 supplemental appropriation bills.

FY 2006-07 Supplemental Appropriation Bills

Public Act 3 of 2007: The bill contained Capital Outlay and Department of Corrections appropriations. The Capital Outlay Adjusted Gross appropriations totaled \$167.9 million and included \$5.0 million of GF/GP appropriations. These appropriations were for airport safety, protection, and improvement programs. Funding for these airport programs was from a combination of Federal, State Restricted, and GF/GP funding sources. The \$5.0 million of GF/GP funding was for improvements at the Oscoda-Wurtsmith Airport for a maintenance hangar expected to create jobs at the airport. The Corrections appropriation of \$12.6 million of Adjusted Gross and GF/GP appropriations was to cover increased health care costs in the prison system.

Public Act 6 of 2007: The bill reduced enacted appropriations for the K-12 School Aid Fund by \$85.5 million. The first of three principal changes in the School Aid budget was the elimination of 10 small new categorical grant programs totaling \$5.0 million. The second key change was a \$40.3 million reduction in debt service requirements of School Loan Revolving Fund bonds resulting from a restructuring of debt service payments. The final change included technical adjustments in the costs of paying the foundation allowance, special education, and payments in lieu of property taxes. These technical adjustments reduced appropriations by \$40.3 million.

Public Act 7 of 2007: The multidepartment appropriation bill totaled \$77.5 million of Adjusted Gross appropriations and zero of GF/GP appropriations. The major items in the bill included an increase for the Capital Outlay costs of an armory project in Shiawassee County, funding in the Department of Community Health for information technology projects to offset a GF/GP reduction in Executive Order 2007-3, fund shifts in the Air Quality Program in the Department of Environmental Quality, the funding of 45 new positions in Department of Human Services field offices to help clients achieve success in reaching independence, the funding of \$22.0 million of State Restricted funding for low-income energy assistance programs in the Department of Labor and Economic Growth, \$35.0 million of Federal funds for job training grants in the Department of Labor and Economic Growth, \$8.4 million of Federal funds for workforce development programs in the Department of Labor and Economic Growth, and \$400,000 of private funds in the Department of State Police to prevent trooper layoffs. The private funds appropriated in the State Police budget were a donation from the Michigan State Police Troopers Association.

Public Act 17 of 2007: This multidepartment appropriation bill contained an \$81.4 million reduction of Adjusted Gross appropriations and a \$69.5 million increase in GF/GP appropriations. The bill included positive supplemental appropriations to address projected funding shortfalls in several State departments and negative supplemental appropriations for the Legislature, Judiciary, Community Colleges, Higher Education, and other State departments. The bill was part of an overall FY 2006-07 budget balancing proposal. The major funding increase in the bill was a \$105.4 million GF/GP appropriation in the Department of Community Health to adjust for

unrealized savings and revenue sources included in the original enacted budget. Funding increases of \$26.6 million GF/GP and \$66.0 million GF/GP were included to reflect projected funding shortfalls in the Departments of Corrections and Human Services. The major funding reductions in the bill included funding delays in payments to community colleges and universities totaling \$82.3 million GF/GP, a \$25.9 million operation reduction for universities, and a 4.0% GF/GP funding reduction for the Judiciary and the Legislature.

Public Act 36 of 2007: This supplemental appropriation of \$1.0 million GF/GP was included in the bill that implemented the new Michigan Business Tax. The appropriation was for the Department of Treasury for costs related to the implementation of the new tax.

Public Act 41 of 2007: This multidepartment appropriation bill totaled \$480.7 million of Adjusted Gross appropriations and \$73.9 million of GF/GP appropriations. The bill contained supplemental appropriations to address projected funding shortfalls in the Departments of Community Health, Corrections, and Human Services, along with the appropriation of Federal, State Restricted, and Local and Private funds that became available since the beginning of the fiscal year. The remaining balance of Federal and State Restricted funding available for annual Capital Outlay appropriations was also included in the bill. The bill also implemented the appropriation of two State Restricted fund balances that led to reductions in GF/GP appropriations in the Higher Education and Department of Treasury budgets. The Department of Community Health funding totaled \$142.7 million of GF/GP appropriations to cover projected expenditures. Similar funding increases of \$42.4 million and \$33.5 million GF/GP were provided to the Departments of Corrections and Human Services. The bill implemented a \$90.0 million State Restricted fund transfer from the Higher Education Student Loan Authority to reduce GF/GP appropriations, and a \$70.0 million State Restricted fund transfer from the Refined Petroleum Fund to reduce GF/GP appropriations.

Public Act 59 of 2007: This bill contained \$36.1 million of appropriations from the Natural Resources Trust Fund for 61 land acquisition and recreation projects as recommended to the Legislature by the Natural Resources Trust Fund Board.

Public Act 93 of 2007: This supplemental appropriation of \$100,000 GF/GP was included in the bill that provided for the use tax expansion to selected services. The appropriation was for the Department of Treasury for costs related to the implementation of the tax base expansion.

Public Act 94 of 2007: This supplemental appropriation of \$100,000 GF/GP was included in the bill that increased the rate of the State income tax. The appropriation was for the Department of Treasury for costs related to the implementation of the tax increase.

Public Act 142 of 2007: The bill contained appropriations for the Departments of Agriculture, Labor and Economic Growth, and Natural Resources. The major item in the bill was \$7.5 million of GF/GP funding to the Department of Natural Resources for the costs associated with the Sleeper Lake fire in Luce County. The bill also contained a \$500,000 GF/GP appropriation for the Department of Agriculture for the Bovine Tuberculosis program to cover the costs of eliminating a contaminated deer herd.

Executive Order Reductions

As part of the FY 2007-08 State budget message to the Legislature, Governor Granholm recommended the approval of Executive Order 2007-1. This Executive Order proposed FY 2006-07 appropriation reductions pursuant to Article V, Section 20 of the State Constitution of 1963. The Senate Appropriations Committee rejected Executive Order 2007-1 on February 14, 2007. On March 22, 2007, Governor Granholm presented Executive Order 2007-3 to reduce FY 2006-07 appropriations. This Executive Order was approved by the Senate Appropriations Committee on March 22, 2007, and by the House Appropriations Committee on March 29, 2007.

Executive Order 2007-3 had the total impact of reducing FY 2006-07 GF/GP appropriations by \$344.6 million: \$274.2 million in direct GF/GP reductions, \$35.7 million in restricted revenue reductions, and \$34.7 million in Federal and restricted fund shifts. These reductions were implemented by a combination of programmatic reductions, changes in assumptions used to fund State employee retirement obligations, fund shifts, funding delays, and the reduction of GF/GP funding to be offset by increases in Federal or State Restricted funding in a supplemental appropriation bill. The changes in retirement contribution rates resulted in \$122.3 million of GF/GP appropriation reductions. Fund delays to Community Colleges and Universities totaled \$82.3 million, programmatic reductions totaled \$31.7 million, and all other fund shifts totaled \$108.3 million.

Revenue Sharing Payment Adjustments

State revenue sharing payments to cities, villages, and townships are appropriated based on the estimated amount of sales tax collections. To the extent that actual sales tax collections are lower than the original consensus revenue estimate upon which the original revenue sharing appropriations were based, an automatic reduction in the appropriation takes place. During FY 2006-07, this reduction lowered the actual level of revenue sharing payments by \$35.5 million from the original appropriation level.

Other Revenue Adjustments

The final FY 2006-07 GF/GP and School Aid Fund budgets included other statutory adjustments that had the impact of increasing the final level of GF/GP and School Aid Fund revenue available to support expenditures. The largest of these items reflected the decision to borrow \$415.0 million against future tobacco settlement payments. This one-time revenue source was split between the GF/GP budget - \$207.2 million, and the School Aid Fund budget - \$207.8 million. The School Aid Fund budget received a \$262.0 million increase in State Restricted revenue from a change in the contribution rates paid by the local school districts to the Public School Employees Retirement System. Other statutory changes to increase FY 2006-07 revenue included the following transfers to the General Fund: \$35.0 million from the Convention Facilities Fund, \$30.0 million from the 21st Century Jobs Fund, \$20.0 million from the Conservation Corps, \$7.2 million from the State Campaign Fund, and \$5.3 million from the Comprehensive Transportation Fund. In total, these statutory revenue changes coupled with the appropriation changes, previously outlined, resulted in a balance between final FY 2006-07 revenue and appropriations.

Tobacco Settlement Expenditures and Revenue

Michigan receives annual revenue from the master settlement agreement between the United States tobacco industry and 46 states. This revenue is appropriated in the State budget. The revenue is deposited into the Merit Award Trust Fund and the appropriations are made from that Trust Fund. Table 8 provides a summary of the final level of FY 2006-07 expenditures and revenue from the tobacco settlement. Expenditures from the Merit Award Trust Fund totaled \$360.7 million. Revenue totaled \$370.9 million, leaving a year-end balance in the Trust Fund of \$10.2 million. The balance in the Trust Fund at the close of FY 2006-07 is carried forward and available to support FY 2007-08 expenditures.

Final Year-End Balances

Table 9 provides a summary of the FY 2006-07 GF/GP budget after the final accounting of revenue and expenditures. Based on data published in the "State of Michigan Comprehensive Annual Financial Report", the FY 2006-07 GF/GP budget closed the fiscal year with a \$259.1 million balance. Pursuant to statutory requirements, this final year-end balance is carried forward into FY 2007-08. The final year-end balance resulted from a combination of actual revenue exceeding the May 2007 consensus revenue estimate and the lapsing of \$136.1 million of appropriated funds by State departments and agencies.

Table 10 provides a summary of the FY 2006-07 School Aid Fund budget after the final accounting of revenue and expenditures. Based on data published in the "State of Michigan Comprehensive Annual Financial Report", the FY 2006-07 School Aid Fund budget closed the fiscal year with an \$84.2 million balance. Pursuant to statutory requirements, this final year-end balance is carried forward into FY 2007-08. The final year-end balance resulted from actual revenue exceeding the May 2007 consensus revenue estimate.

Table 1

FY 2006-07 YEAR-END APPROPRIATIONS BY SOURCE OF FUNDS					
Department/Budget Area	Adjusted Gross	Federal Funds	Local & Private Funds	Other State Restricted	General Fund
Agriculture.....	\$100,364,490	\$23,542,831	\$183,800	\$47,803,959	\$28,833,900
Attorney General	51,607,500	9,960,700	0	11,175,800	30,471,000
Capital Outlay	222,572,800	151,230,200	12,648,300	53,694,300	5,000,000
Civil Rights.....	13,631,300	1,533,200	0	55,000	12,043,100
Civil Service	29,564,500	3,163,400	1,850,000	18,213,500	6,337,600
Community Colleges	247,845,500	0	0	0	247,845,500
Community Health	11,365,103,100	6,136,544,700	302,141,700	1,781,088,200	3,145,328,500
Corrections	1,951,514,600	11,431,500	420,900	67,784,700	1,871,877,500
Education.....	89,432,300	66,745,000	8,851,700	7,647,300	6,188,300
Environmental Quality (Operations)	404,659,100	137,567,800	450,000	235,853,600	30,787,700
Environmental Quality (CMI Bond)	25,411,000	0	0	25,411,000	0
Executive	5,272,900	0	0	0	5,272,900
Higher Education	1,610,750,400	3,000,000	0	243,700,000	1,364,050,400
History, Arts, and Libraries	50,230,300	8,383,900	577,400	2,580,400	38,688,600
Human Services	4,495,883,900	3,096,784,900	72,244,700	59,217,700	1,267,636,600
Information Technology	0	0	0	0	0
Judiciary.....	255,764,100	6,126,400	5,268,500	87,868,000	156,501,200
Labor and Economic Growth	1,271,757,800	840,602,300	18,108,200	367,071,800	45,975,500
Legislative Auditor General	13,305,600	0	0	1,539,900	11,765,700
Legislature	111,282,500	0	400,000	1,109,800	109,772,700
Management and Budget	317,984,200	0	0	51,718,300	266,265,900
Military and Veteran Affairs	122,097,400	53,307,800	2,694,400	26,796,000	39,299,200
Natural Resources (Operations).....	287,110,200	42,574,200	3,124,400	209,621,900	31,789,700
Natural Resources (Trust Fund)	36,148,100	0	0	36,148,100	0
School Aid.....	13,008,200,100	1,411,236,900	0	11,561,963,200	35,000,000
State	178,783,000	3,192,100	100	157,832,200	17,758,600
State Police	541,331,100	169,341,200	8,940,900	119,862,000	243,187,000
Transportation	3,408,192,000	1,168,679,700	47,500,000	2,192,012,300	0
Treasury (Debt Service)	100,158,200	0	0	93,914,500	6,243,700
Treasury (Operations)	378,954,300	35,522,900	1,045,700	277,241,700	65,144,000
Treasury (Revenue Sharing)	1,071,104,341	0	0	1,070,892,341	212,000
Treasury (Strategic Fund).....	85,747,600	55,584,900	700,000	5,000	29,457,700
TOTAL APPROPRIATIONS	\$41,851,764,231	\$13,436,056,531	\$487,150,700	\$18,809,822,500	\$9,118,734,500

Table 2

FY 2006-07 YEAR-END APPROPRIATIONS - ADJUSTED GROSS					
Department/Budget Area	FY 2006-07 Initial Appropriations	FY 2006-07 Total Supplemental Appropriations	FY 2006-07 Executive Orders	Fund Transfer/ Revenue Adjustments	Year-End FY 2006-07 Appropriations
Agriculture.....	\$103,246,100	\$213,800	\$(3,095,410)	\$ 0	\$100,364,490
Attorney General	54,618,000	(308,900)	(2,701,600)	0	51,607,500
Capital Outlay	0	222,572,800	0	0	222,572,800
Civil Rights.....	14,020,200	5,000	(393,900)	0	13,631,300
Civil Service	30,759,000	(168,700)	(1,025,800)	0	29,564,500
Community Colleges	289,879,400	(12,879,900)	(29,154,000)	0	247,845,500
Community Health	11,158,871,300	253,056,300	(46,824,500)	0	11,365,103,100
Corrections	1,939,183,100	80,874,300	(68,542,800)	0	1,951,514,600
Education.....	90,590,100	136,600	(1,294,400)	0	89,432,300
Environmental Quality (Operations)	411,099,900	186,800	(6,774,500)	146,900	404,659,100
Environmental Quality (CMI Bond).....	14,411,000	11,000,000	0	0	25,411,000
Executive	5,509,900	(194,000)	(43,000)	0	5,272,900
Higher Education	1,787,491,300	(97,350,000)	(79,390,900)	0	1,610,750,400
History, Arts, and Libraries	54,784,700	(3,600,000)	(954,400)	0	50,230,300
Human Services	4,465,032,600	84,383,400	(53,532,100)	0	4,495,883,900
Information Technology.....	0	0	0	0	0
Judiciary.....	256,864,600	(1,100,500)	0	0	255,764,100
Labor and Economic Growth	1,207,990,400	87,469,700	(23,702,300)	0	1,271,757,800
Legislative Auditor General	14,546,000	(1,240,400)	0	0	13,305,600
Legislature	116,576,400	(5,293,900)	0	0	111,282,500
Management and Budget	320,848,500	14,650,000	(17,514,300)	0	317,984,200
Military and Veteran Affairs	121,238,000	4,005,400	(3,146,000)	0	122,097,400
Natural Resources (Operations).....	284,547,300	8,148,000	(5,585,100)	0	287,110,200
Natural Resources (Trust Fund).....	0	36,148,100	0	0	36,148,100
School Aid.....	13,093,745,100	(85,545,000)	0	0	13,008,200,100
State	184,793,500	(617,900)	(5,392,600)	0	178,783,000
State Police	546,646,100	8,714,500	(14,734,500)	705,000	541,331,100
Transportation	3,441,865,300	1,298,400	(34,971,700)	0	3,408,192,000
Treasury (Debt Service)	100,158,200	0	0	0	100,158,200
Treasury (Operations)	375,065,500	9,797,500	(5,908,700)	0	378,954,300
Treasury (Revenue Sharing)	1,107,514,400	0	(892,400)	(35,517,659)	1,071,104,341
Treasury (Strategic Fund).....	80,401,200	7,702,400	(2,356,000)	0	85,747,600
TOTAL APPROPRIATIONS	\$41,672,297,100	\$622,063,800	\$(407,930,910)	\$(34,665,759)	\$41,851,764,231

Table 3

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - ADJUSTED GROSS						
Department/Budget Area	Public Act 3 of 2007	Public Act 6 of 2007	Public Act 7 of 2007	Public Act 17 of 2007	Public Act 36 of 2007	Public Act 41 of 2007
Agriculture.....	\$ 0	\$ 0	\$ 0	\$ (286,200)	\$ 0	\$ 0
Attorney General	0	0	0	(308,900)	0	0
Capital Outlay	167,902,600	0	650,000	0	0	54,020,200
Civil Rights.....	0	0	0	(50,000)	0	55,000
Civil Service	0	0	0	(168,700)	0	0
Community Colleges	0	0	0	(12,879,900)	0	0
Community Health	0	0	7,500,000	(61,176,000)	0	306,732,300
Corrections	12,600,000	0	0	25,883,300	0	42,391,000
Education.....	0	0	0	(90,400)	0	227,000
Environmental Quality (Operations) ..	0	0	0	(311,000)	0	497,800
Environmental Quality (CMI Bond)	0	0	0	0	0	11,000,000
Executive	0	0	0	(194,000)	0	0
Higher Education	0	0	0	(97,350,000)	0	0
History, Arts, and Libraries	0	0	0	(3,600,000)	0	0
Human Services	0	0	3,545,900	66,455,200	0	14,382,300
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	0	(4,190,500)	0	3,090,000
Labor and Economic Growth	0	0	65,400,000	10,550,000	0	11,473,700
Legislative Auditor General	0	0	0	(1,240,400)	0	0
Legislature	0	0	0	(5,293,900)	0	0
Management and Budget	0	0	0	(550,000)	0	15,200,000
Military and Veteran Affairs	0	0	0	134,500	0	3,870,900
Natural Resources (Operations).....	0	0	0	(510,000)	0	1,158,000
Natural Resources (Trust Fund)	0	0	0	0	0	0
School Aid.....	0	(85,545,000)	0	0	0	0
State	0	0	0	(757,900)	0	140,000
State Police	0	0	400,000	1,200,000	0	7,114,500
Transportation	0	0	0	0	0	1,298,400
Treasury (Debt Service)	0	0	0	0	0	0
Treasury (Operations)	0	0	0	8,597,500	1,000,000	0
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	0	0	0	(297,600)	0	8,000,000
TOTAL APPROPRIATIONS	\$180,502,600	\$(85,545,000)	\$77,495,900	\$(76,434,900)	\$1,000,000	\$480,651,100

Table 3 (continued)

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - ADJUSTED GROSS					
Department/Budget Area	Public Act 59 of 2006	Public Act 93 of 2006	Public Act 94 of 2006	Public Act 142 of 2007	FY 2006-07 Total Appropriations
Agriculture	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 213,800
Attorney General	0	0	0	0	(308,900)
Capital Outlay	0	0	0	0	222,572,800
Civil Rights	0	0	0	0	5,000
Civil Service	0	0	0	0	(168,700)
Community Colleges	0	0	0	0	(12,879,900)
Community Health	0	0	0	0	253,056,300
Corrections	0	0	0	0	80,874,300
Education	0	0	0	0	136,600
Environmental Quality (Operations)	0	0	0	0	186,800
Environmental Quality (CMI Bond)	0	0	0	0	11,000,000
Executive	0	0	0	0	(194,000)
Higher Education	0	0	0	0	(97,350,000)
History, Arts, and Libraries	0	0	0	0	(3,600,000)
Human Services	0	0	0	0	84,383,400
Information Technology	0	0	0	0	0
Judiciary	0	0	0	0	(1,100,500)
Labor and Economic Growth	0	0	0	46,000	87,469,700
Legislative Auditor General	0	0	0	0	(1,240,400)
Legislature	0	0	0	0	(5,293,900)
Management and Budget	0	0	0	0	14,650,000
Military and Veteran Affairs	0	0	0	0	4,005,400
Natural Resources (Operations)	0	0	0	7,500,000	8,148,000
Natural Resources (Trust Fund)	36,148,100	0	0	0	36,148,100
School Aid	0	0	0	0	(85,545,000)
State	0	0	0	0	(617,900)
State Police	0	0	0	0	8,714,500
Transportation	0	0	0	0	1,298,400
Treasury (Debt Service)	0	0	0	0	0
Treasury (Operations)	0	100,000	100,000	0	9,797,500
Treasury (Revenue Sharing)	0	0	0	0	0
Treasury (Strategic Fund)	0	0	0	0	7,702,400
TOTAL APPROPRIATIONS	\$36,148,100	\$100,000	\$100,000	\$8,046,000	\$622,063,800

Table 4

FY 2006-07 YEAR-END APPROPRIATIONS - TOTAL STATE SPENDING					
Department/Budget Area	FY 2006-07 Initial Appropriations	FY 2006-07 Total Supplemental Appropriations	FY 2006-07 Executive Orders	Fund Transfer/ Revenue Adjustments	Year-End FY 2006-07 Appropriations
Agriculture.....	\$79,362,300	\$ 213,800	\$(2,938,241)	\$ 0	\$76,637,859
Attorney General	44,381,500	(308,900)	(2,425,800)	0	41,646,800
Capital Outlay	0	58,694,300	0	0	58,694,300
Civil Rights.....	12,454,000	5,000	(360,900)	0	12,098,100
Civil Service	24,129,900	(168,700)	(710,100)	1,300,000	24,551,100
Community Colleges	289,879,400	(12,879,900)	(29,154,000)	0	247,845,500
Community Health	4,811,282,300	149,555,000	(34,420,600)	0	4,926,416,700
Corrections	1,927,330,700	80,874,300	(68,542,800)	0	1,939,662,200
				0	
Education.....	14,119,500	136,600	(420,500)	0	13,835,600
Environmental Quality (Operations)	270,361,400	820,300	(4,802,200)	261,800	266,641,300
Environmental Quality (CMI Bond)	14,411,000	11,000,000	0	0	25,411,000
Executive	5,509,900	(194,000)	(43,000)	0	5,272,900
Higher Education	1,784,491,300	(97,350,000)	(79,390,900)	0	1,607,750,400
History, Arts, and Libraries	45,756,400	(3,600,000)	(887,400)	0	41,269,000
Human Services	1,265,149,900	91,080,100	(29,375,700)	0	1,326,854,300
Information Technology	0	0	0	0	0
Judiciary.....	247,783,300	(3,414,100)	0	0	244,369,200
Labor and Economic Growth	394,506,000	24,069,700	(7,328,400)	1,800,000	413,047,300
Legislative Auditor General	14,546,000	(1,240,400)	0	0	13,305,600
Legislature	116,176,400	(5,293,900)	0	0	110,882,500
Management and Budget	320,848,500	14,650,000	(17,514,300)	0	317,984,200
Military and Veteran Affairs	67,092,900	978,100	(1,975,800)	0	66,095,200
Natural Resources (Operations).....	238,457,900	7,870,000	(4,916,300)	0	241,411,600
Natural Resources (Trust Fund).....	0	36,148,100	0	0	36,148,100
School Aid.....	11,682,508,200	(85,545,000)	0	0	11,596,963,200
State	181,741,300	(757,900)	(5,392,600)	0	175,590,800
State Police	369,171,900	7,100,000	(13,927,900)	705,000	363,049,000
Transportation	2,225,029,000	1,298,400	(34,315,100)	0	2,192,012,300
Treasury (Debt Service)	100,158,200	0	0	0	100,158,200
Treasury (Operations)	338,093,000	9,797,500	(5,504,800)	0	342,385,700
Treasury (Revenue Sharing)	1,107,514,400	0	(892,400)	(35,517,659)	1,071,104,341
Treasury (Strategic Fund).....	32,014,200	(297,600)	(2,253,900)	0	29,462,700
TOTAL APPROPRIATIONS	\$28,024,260,700	\$283,240,800	\$(347,493,641)	\$(31,450,859)	\$27,928,557,000

Table 5

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - TOTAL STATE SPENDING						
Department/Budget Area	Public Act 3 of 2007	Public Act 6 of 2007	Public Act 7 of 2007	Public Act 17 of 2007	Public Act 36 of 2007	Public Act 41 of 2007
Agriculture.....	\$ 0	\$ 0	\$ 0	\$ (286,200)	\$ 0	\$ 0
Attorney General	0	0	0	(308,900)	0	0
Capital Outlay	18,000,000	0	500,000	0	0	40,194,300
Civil Rights.....	0	0	0	(50,000)	0	55,000
Civil Service	0	0	0	(168,700)	0	0
Community Colleges	0	0	0	(12,879,900)	0	0
Community Health	0	0	7,250,000	(1,702,100)	0	144,007,100
Corrections	12,600,000	0	0	25,883,300	0	42,391,000
Education.....	0	0	0	(90,400)	0	227,000
Environmental Quality (Operations) ...	0	0	887,000	(311,000)	0	244,300
Environmental Quality (CMI Bond)	0	0	0	0	0	11,000,000
Executive	0	0	0	(194,000)	0	0
Higher Education	0	0	0	(97,350,000)	0	0
History, Arts, and Libraries	0	0	0	(3,600,000)	0	0
Human Services	0	0	0	66,164,400	0	24,915,700
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	0	(4,114,100)	0	700,000
Labor and Economic Growth	0	0	22,000,000	550,000	0	1,473,700
Legislative Auditor General	0	0	0	(1,240,400)	0	0
Legislature	0	0	0	(5,293,900)	0	0
Management and Budget	0	0	0	(550,000)	0	15,200,000
Military and Veteran Affairs	0	0	0	134,500	0	843,600
Natural Resources (Operations).....	0	0	0	(510,000)	0	880,000
Natural Resources (Trust Fund)	0	0	0	0	0	0
School Aid.....	0	(85,545,000)	0	0	0	0
State	0	0	0	(757,900)	0	0
State Police	0	0	0	1,200,000	0	5,900,000
Transportation	0	0	0	0	0	1,298,400
Treasury (Debt Service)	0	0	0	0	0	0
Treasury (Operations)	0	0	0	8,597,500	1,000,000	0
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	0	0	0	(297,600)	0	0
TOTAL APPROPRIATIONS	\$30,600,000	\$(85,545,000)	\$30,637,000	\$(27,175,400)	\$1,000,000	\$289,330,100

Table 5 (continued)

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - TOTAL STATE SPENDING					
Department/Budget Area	Public Act 59 of 2006	Public Act 93 of 2006	Public Act 94 of 2006	Public Act 142 of 2007	FY 2006-07 Total Appropriations
Agriculture	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 213,800
Attorney General	0	0	0	0	(308,900)
Capital Outlay	0	0	0	0	58,694,300
Civil Rights	0	0	0	0	5,000
Civil Service	0	0	0	0	(168,700)
Community Colleges	0	0	0	0	(12,879,900)
Community Health	0	0	0	0	149,555,000
Corrections	0	0	0	0	80,874,300
Education	0	0	0	0	136,600
Environmental Quality (Operations)	0	0	0	0	820,300
Environmental Quality (CMI Bond)	0	0	0	0	11,000,000
Executive	0	0	0	0	(194,000)
Higher Education	0	0	0	0	(97,350,000)
History, Arts, and Libraries	0	0	0	0	(3,600,000)
Human Services	0	0	0	0	91,080,100
Information Technology	0	0	0	0	0
Judiciary	0	0	0	0	(3,414,100)
Labor and Economic Growth	0	0	0	46,000	24,069,700
Legislative Auditor General	0	0	0	0	(1,240,400)
Legislature	0	0	0	0	(5,293,900)
Management and Budget	0	0	0	0	14,650,000
Military and Veteran Affairs	0	0	0	0	978,100
Natural Resources (Operations)	0	0	0	7,500,000	7,870,000
Natural Resources (Trust Fund)	36,148,100	0	0	0	36,148,100
School Aid	0	0	0	0	(85,545,000)
State	0	0	0	0	(757,900)
State Police	0	0	0	0	7,100,000
Transportation	0	0	0	0	1,298,400
Treasury (Debt Service)	0	0	0	0	0
Treasury (Operations)	0	100,000	100,000	0	9,797,500
Treasury (Revenue Sharing)	0	0	0	0	0
Treasury (Strategic Fund)	0	0	0	0	(297,600)
TOTAL APPROPRIATIONS	\$36,148,100	\$100,000	\$100,000	\$8,046,000	\$283,240,800

Table 6

FY 2006-07 YEAR-END APPROPRIATIONS - GENERAL FUND/GENERAL PURPOSE					
Department/Budget Area	FY 2006-07 Initial Appropriations	FY 2006-07 Total Supplemental Appropriations	FY 2006-07 Executive Orders	Fund Transfer/ Revenue Adjustments	Year-End FY 2006-07 Appropriations
Agriculture.....	\$30,913,300	\$ 213,800	\$(2,293,200)	\$ 0	\$28,833,900
Attorney General	32,896,000	(308,900)	(2,116,100)	0	30,471,000
Capital Outlay	0	5,000,000	0	0	5,000,000
Civil Rights.....	12,454,000	(50,000)	(360,900)	0	12,043,100
Civil Service	6,972,400	(168,700)	(466,100)	0	6,337,600
Community Colleges	289,879,400	(12,879,900)	(29,154,000)	0	247,845,500
Community Health	2,940,082,700	238,405,800	(33,160,000)	0	3,145,328,500
Corrections	1,858,555,000	80,874,300	(67,551,800)	0	1,871,877,500
				0	
Education.....	6,592,500	(90,400)	(313,800)	0	6,188,300
Environmental Quality (Operations)	33,828,400	(311,000)	(2,729,700)	0	30,787,700
Environmental Quality (CMI Bond)	0	0	0	0	0
Executive	5,509,900	(194,000)	(43,000)	0	5,272,900
Higher Education	1,624,791,300	(187,350,000)	(73,390,900)	0	1,364,050,400
History, Arts, and Libraries	43,175,200	(3,600,000)	(886,600)	0	38,688,600
Human Services	1,197,447,900	99,564,400	(29,375,700)	0	1,267,636,600
Information Technology	0	0	0	0	0
				0	
Judiciary.....	160,604,800	(4,103,600)	0	0	156,501,200
Labor and Economic Growth	47,436,700	0	(1,461,200)	0	45,975,500
Legislative Auditor General	13,006,100	(1,240,400)	0	0	11,765,700
Legislature	115,066,600	(5,293,900)	0	0	109,772,700
Management and Budget	268,409,600	14,650,000	(16,793,700)	0	266,265,900
Military and Veteran Affairs	40,640,200	100,000	(1,441,000)	0	39,299,200
Natural Resources (Operations).....	25,269,600	6,990,000	(469,900)	0	31,789,700
Natural Resources (Trust Fund)	0	0	0	0	0
				0	
School Aid.....	35,000,000	0	0	0	35,000,000
State	19,132,700	(757,900)	(616,200)	0	17,758,600
State Police	249,298,700	1,200,000	(7,311,700)	0	243,187,000
Transportation	0	0	0	0	0
Treasury (Debt Service)	76,243,700	(70,000,000)	0	0	6,243,700
Treasury (Operations)	56,509,700	9,797,500	(1,163,200)	0	65,144,000
Treasury (Revenue Sharing)	1,104,400	0	(892,400)	0	212,000
Treasury (Strategic Fund).....	32,009,200	(297,600)	(2,253,900)	0	29,457,700
TOTAL APPROPRIATIONS	\$9,222,830,000	\$170,149,500	\$(274,245,000)	\$ 0	\$9,118,734,500

Table 7

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - GENERAL FUND/GENERAL PURPOSE						
Department/Budget Area	Public Act 3 of 2007	Public Act 6 of 2007	Public Act 7 of 2007	Public Act 17 of 2007	Public Act 36 of 2007	Public Act 41 of 2007
Agriculture.....	\$ 0	\$ 0	\$ 0	\$ (286,200)	\$ 0	\$ 0
Attorney General	0	0	0	(308,900)	0	0
Capital Outlay	5,000,000	0	0	0	0	0
Civil Rights.....	0	0	0	(50,000)	0	0
Civil Service	0	0	0	(168,700)	0	0
Community Colleges	0	0	0	(12,879,900)	0	0
Community Health	0	0	0	95,735,900	0	142,669,900
Corrections	12,600,000	0	0	25,883,300	0	42,391,000
Education.....	0	0	0	(90,400)	0	0
Environmental Quality (Operations) ..	0	0	0	(311,000)	0	0
Environmental Quality (CMI Bond)	0	0	0	0	0	0
Executive	0	0	0	(194,000)	0	0
Higher Education	0	0	0	(97,350,000)	0	(90,000,000)
History, Arts, and Libraries	0	0	0	(3,600,000)	0	0
Human Services	0	0	0	66,041,000	0	33,523,400
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	0	(4,103,600)	0	0
Labor and Economic Growth	0	0	0	0	0	0
Legislative Auditor General	0	0	0	(1,240,400)	0	0
Legislature	0	0	0	(5,293,900)	0	0
Management and Budget	0	0	0	(550,000)	0	15,200,000
Military and Veteran Affairs	0	0	0	0	0	100,000
Natural Resources (Operations).....	0	0	0	(510,000)	0	0
Natural Resources (Trust Fund)	0	0	0	0	0	0
School Aid.....	0	0	0	0	0	0
State	0	0	0	(757,900)	0	0
State Police	0	0	0	1,200,000	0	0
Transportation	0	0	0	0	0	0
Treasury (Debt Service)	0	0	0	0	0	(70,000,000)
Treasury (Operations)	0	0	0	8,597,500	1,000,000	0
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	0	0	0	(297,600)	0	0
TOTAL APPROPRIATIONS	\$17,600,000	\$ 0	\$ 0	\$69,465,200	\$1,000,000	\$73,884,300

Table 7 (continued)

FY 2006-07 SUPPLEMENTAL APPROPRIATIONS SUMMARY - GENERAL FUND/GENERAL PURPOSE					
Department/Budget Area	Public Act 59 of 2006	Public Act 93 of 2006	Public Act 94 of 2006	Public Act 142 of 2007	FY 2006-07 Total Appropriations
Agriculture	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 213,800
Attorney General	0	0	0	0	(308,900)
Capital Outlay	0	0	0	0	5,000,000
Civil Rights	0	0	0	0	(50,000)
Civil Service	0	0	0	0	(168,700)
Community Colleges	0	0	0	0	(12,879,900)
Community Health	0	0	0	0	238,405,800
Corrections	0	0	0	0	80,874,300
Education	0	0	0	0	(90,400)
Environmental Quality (Operations)	0	0	0	0	(311,000)
Environmental Quality (CMI Bond)	0	0	0	0	0
Executive	0	0	0	0	(194,000)
Higher Education	0	0	0	0	(187,350,000)
History, Arts, and Libraries	0	0	0	0	(3,600,000)
Human Services	0	0	0	0	99,564,400
Information Technology	0	0	0	0	0
Judiciary	0	0	0	0	(4,103,600)
Labor and Economic Growth	0	0	0	0	0
Legislative Auditor General	0	0	0	0	(1,240,400)
Legislature	0	0	0	0	(5,293,900)
Management and Budget	0	0	0	0	14,650,000
Military and Veteran Affairs	0	0	0	0	100,000
Natural Resources (Operations)	0	0	0	7,500,000	6,990,000
Natural Resources (Trust Fund)	0	0	0	0	0
School Aid	0	0	0	0	0
State	0	0	0	0	(757,900)
State Police	0	0	0	0	1,200,000
Transportation	0	0	0	0	0
Treasury (Debt Service)	0	0	0	0	(70,000,000)
Treasury (Operations)	0	100,000	100,000	0	9,797,500
Treasury (Revenue Sharing)	0	0	0	0	0
Treasury (Strategic Fund)	0	0	0	0	(297,600)
TOTAL APPROPRIATIONS	\$ 0	\$100,000	\$100,000	\$8,000,000	\$170,149,500

Table 8
FY 2006-07 MERIT AWARD TRUST FUND
FINAL YEAR-END EXPENDITURES AND REVENUE
(Actual Dollars)

Final Expenditures:	
<u>Attorney General</u>	
Legal Services	\$386,051
<u>Community Health</u>	
Medicaid Base Funding	120,958,000
Senior Prescription Drug Program.....	
Nursing Home Personal Needs Allowance.....	5,000,000
Senior Respite Care Services	5,000,000
<u>Higher Education</u>	
Merit Award Scholarships	113,652,679
Tuition Incentive Program.....	17,520,124
Nursing Scholarship Program.....	4,250,000
Operations Funding	9,500,000
State Competitive Scholarships.....	25,770,000
Tuition Grants	49,253,700
Michigan Work Study Program.....	6,935,680
<u>Treasury</u>	
Merit Award Board	1,343,571
Tuition Incentive Program Administration.....	185,386
Michigan Education Savings Program.....	696,121
Information Technology	259,307
Total Expenditures	\$360,710,619
Final Revenue:	
Beginning Balance.....	\$9,100,000
Current Year Revenue	262,100,000
House of Prince Settlement (Dec. 2006).....	2,300,000
Withheld Prior Year (June 2007)	2,100,000
Higher Education Transfer (PA 34 of 2007)	95,000,000
Interest Earnings	300,000
Total Revenue	\$370,900,000
Final Year-End Balance	\$10,189,381

Table 9
FY 2006-07
GENERAL FUND/GENERAL PURPOSE
REVENUE, EXPENDITURES, AND YEAR-END BALANCE
(Millions of Dollars)

	Dec. 2007 Final Closing
Revenue:	
Beginning Balance	\$ 2.5
Ongoing Revenue:	
Ongoing Revenue Estimate	8,317.7
Revenue Sharing Freeze	540.8
Shift of Short-Term Borrowing Costs to School Aid Fund	22.8
Subtotal Ongoing Revenue	8,881.3
One-Time Revenue Sources:	
Forensic Center Settlement Revenue	7.8
Liquor Purchase Revolving Fund Transfer to General Fund	4.0
Consumer Finance Fees Transfer to General Fund	7.3
Executive Order 2007-3 (Revenue Items)	35.7
Tobacco Securitization Borrowing (Public Act 18 of 2007)	207.2
Convention Facilities Fund Transfer	35.0
Comprehensive Transportation Fund Transfer	5.3
21st Century Jobs Fund Transfer	30.0
State Campaign Fund Transfer	7.2
Michigan Conservation Corps Fund Transfer	20.0
Subtotal One-Time Revenue Sources	359.5
Total Revenue	\$9,243.3
Expenditures:	
Initial Enacted Appropriations	\$9,222.8
Supplemental Appropriations (Public Act 3 of 2007)	17.6
Supplemental Appropriations (Public Act 7 of 2007)	0.0
Supplemental Appropriations (Public Act 17 of 2007)	69.5
Supplemental Appropriations (Public Act 36 of 2007)	1.0
Supplemental Appropriations (Public Act 41 of 2007)	73.9
Supplemental Appropriations (Public Act 93 of 2007)	0.1
Supplemental Appropriations (Public Act 94 of 2007)	0.1
Supplemental Appropriations (Public Act 142 of 2007)	8.0
Subtotal Supplemental Appropriations	170.2
Executive Order 2007-3 (Appropriation Reductions)	(274.2)
Health Care Advance Account Transfer to Restricted Revenue Accounts	6.2
Restoration of Auto Theft Prevention Reduction in EO 2007-3	4.0
Projected Year-End Appropriation Lapses	(136.1)
Other Book-Closing Adjustments	(8.7)
Total Expenditures	\$8,984.2
Projected Year-End Balance	\$ 259.1

Table 10
FY 2006-07
SCHOOL AID FUND
REVENUE, EXPENDITURES, AND YEAR-END BALANCE
(Millions of Dollars)

	December 2007 Final Closing
Revenue:	
Beginning Balance.....	\$ 0.0
Ongoing Revenue:	
Ongoing Revenue Estimate	11,153.1
GF/GP Grant	34.1
Federal Aid	1,381.9
Subtotal Ongoing Revenue	12,569.1
One-Time Revenue:	
PSERS Retirement Contribution Rate (Mark to Market)	175.1
PSERS Interest Only on Unfunded Accrued Liability	86.4
Tobacco Securitization Borrowing (PA 18 of 2007)	207.8
SAF Reimbursement from Renaissance Zones	11.7
Miscellaneous Revenue	1.9
Subtotal One-Time Revenue	482.9
Total Revenue	\$13,052.0
Expenditures	
Initial Enacted Appropriations.....	\$13,093.8
Midland Property Tax Case (PA 6 of 2007)	24.8
Refinance of Debt Service Payments (PA 6 of 2007)	(40.4)
Reduction of Various Categorical Grants (PA 6 of 2007)	(5.0)
Cost Adjustments (PA 6 of 2007)	(65.0)
Federal Expenditure Adjustments	(29.3)
Appropriation Lapses (Consensus Agreement)	(11.9)
Change in Long-Term Receivables Reserve	2.6
Total Expenditures	\$12,969.6
Final Year-End Balance	\$82.4

Table 11

INDEX OF APPROPRIATIONS ACTS FY 2006-07		
BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Agriculture		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4494	Public Act 142 of 2007
Attorney General		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Capital Outlay		
Initial	Senate Bill 1081	Vetoed
Supplemental	Senate Bill 166	Public Act 3 of 2007
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Civil Rights		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Civil Service		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Community Colleges		
Initial	Senate Bill 1082	Public Act 341 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Community Health		
Initial	Senate Bill 1083	Public Act 330 of 2006
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Corrections		
Initial	Senate Bill 1084	Public Act 331 of 2006
Supplemental	Senate Bill 166	Public Act 3 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007

INDEX OF APPROPRIATIONS ACTS FY 2006-07		
BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Education		
Initial	Senate Bill 1085	Public Act 332 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Environmental Quality - Clean Michigan Initiative		
Initial	Senate Bill 1086	Public Act 343 of 2006
Supplemental	House Bill 4493	Public Act 41 of 2007
Environmental Quality - Operations		
Initial	Senate Bill 1086	Public Act 343 of 2006
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Executive		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2006
Higher Education		
Initial	Senate Bill 1088	Public Act 340 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
History, Arts, and Libraries		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Human Services		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Information Technology		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	House Bill 4493	Public Act 41 of 2007

INDEX OF APPROPRIATIONS ACTS FY 2006-07		
BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Judiciary		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Labor and Economic Growth		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Supplemental	House Bill 4494	Public Act 142 of 2007
Legislative Auditor General		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Legislature		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Management and Budget		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Military and Veterans Affairs		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Natural Resources - Operations		
Initial	Senate Bill 1094	Public Act 344 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Supplemental	House Bill 4494	Public Act 142 of 2007
Natural Resources Trust Fund		
Initial	Senate Bill 675	Public Act 59 of 2007

INDEX OF APPROPRIATIONS ACTS FY 2006-07		
BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
School Aid		
Initial	Senate Bill 1095	Public Act 342 of 2006
Supplemental	Senate Bill 221	Public Act 6 of 2007
State		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
State Police		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 404	Public Act 7 of 2007
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Transportation		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	House Bill 4493	Public Act 41 of 2007
Treasury - Debt Service		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	House Bill 4493	Public Act 41 of 2007
Treasury - Operations		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	Senate Bill 94	Public Act 36 of 2007
Supplemental	House Bill 5198	Public Act 93 of 2007
Supplemental	House Bill 5194	Public Act 94 of 2007
Treasury - Strategic Fund Agency		
Initial	House Bill 5796	Public Act 345 of 2006
Supplemental	Senate Bill 436	Public Act 17 of 2007
Supplemental	House Bill 4493	Public Act 41 of 2007
Treasury - Revenue Sharing		
Initial	House Bill 5796	Public Act 345 of 2006

BUDGET AREA DETAIL

DEPARTMENT OF AGRICULTURE

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	690.0	679.0
Gross	113,628,800	110,732,000
IDG	10,382,700	10,367,510
Federal	23,700,000	23,542,831
Local	0	0
Private	183,800	183,800
Restricted	48,449,000	47,803,959
GF/GP	30,913,300	28,833,900

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

Administrative Savings. The Act reduced the GF/GP appropriation as a result of administrative savings in the Pesticide and Plant Pest Management (\$266,000) and Information Technology (\$20,200) line items.

Gross	(286,200)
GF/GP	(286,200)

2. Public Act 142 of 2007

Bovine Tuberculosis Indemnification. The Act included a supplemental appropriation for an indemnification payment to cover the costs of the elimination of a contaminated deer herd.

Gross	500,000
GF/GP	500,000

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Program Reductions.

The Executive Order made reductions in programs totaling \$1,265,000 GF/GP. The reductions are listed below.

- Aquaculture/Cervid Culture Program – Elimination of funding for the second half of the fiscal year and 3.0 FTE positions (\$125,000)

FTE	(11.0)
Gross	(3,110,600)
IDG	(15,190)
Federal	(157,169)
Restricted	(645,041)
GF/GP	(2,293,200)

- Agriculture Statistics – Reduction in funding and elimination of 3.0 FTE positions (\$130,700)
- Intercounty Drain Program – Elimination of funding for the second half of the fiscal year and 5.0 FTE positions (\$234,700)
- Local Conservation District Grants – Elimination of funding for the second half of the fiscal year (\$758,400)
- MSU Northwest Horticulture Research Station Grant – Elimination of funding for the second half of the fiscal year (\$15,000)
- Information Technology Services and Projects – Reflection of the Michigan Department of Agriculture's (MDA's) share of an administrative reduction in the Department of Information Technology (\$1,200)

2. **Retirement Rate Reduction.** The Executive Order made a reduction of \$1.8 million Gross (\$1.0 million GF/GP) based upon savings achieved through a reduction of FY 2006-07 defined benefit contributions to the State Employees' Retirement System. Re-valuation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities reduced the MDA's required contribution payments.

C. TRANSFERS

1. State Budget Office Letter 05-07-07

Select Michigan. A total of \$120,000 in industry support funds was shifted from Pesticide and Plant Pest Management (\$100,000) and the Grape and Wine Program (\$20,000) to the Agriculture Development line item to support the Select Michigan program. The excess authorization became available due to lower-than-anticipated revenue.

Specialty Crop Block Grant Program. Federal authorization of \$136,000 was transferred from the Emerald Ash Borer program to the Agriculture Development line item to reflect increased Federal authorization for the Specialty Crop Block Grant program. The Emerald Ash Borer program had excess authorization due to a shift of Federal support for the program from Michigan to other states.

Agriculture Pollution Prevention. Federal authorization of \$700,000 was transferred from the Emerald Ash Borer program to the Agriculture Pollution Prevention program to provide technical and engineering assistance through the local conservation districts. The Emerald Ash Borer program had excess authorization due to a shift of Federal support for the program from Michigan to other states.

Gross	0
Federal	0
Restricted	0
GF/GP	0

2. **State Budget Office Letter 09-17-2007**

Country of Origin Labeling Audits. The source of Federal funds totaling \$24,000 was shifted to reflect increased funding for Country of Origin Labeling audits of retail grocery stores, warehouses, and distribution centers. Excess authorization was available due to lower-than-anticipated revenue from the U.S. Food and Drug Administration.

Change From FY 2006-07 Initial Appropriation	
Gross	0
Federal	0
GF/GP	0

DEPARTMENT OF ATTORNEY GENERAL

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	559.0	559.0
Gross	68,532,300	65,146,800
IDG	13,914,300	13,539,300
Federal	10,236,500	9,960,700
Local	0	0
Private	0	0
Restricted	11,485,500	11,175,800
GF/GP	32,896,000	30,471,000

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE
Gross
IDG
Federal
Local
Private
Restricted
GF/GP

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

The supplemental made reductions of \$301,800 in the Operations line and \$7,100 in the Information Technology line, all GF/GP dollars. These reductions were necessary to reduce the overall GF/GP budget deficit for FY 2006-07.

Gross (308,900)
GF/GP (308,900)

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Department by \$2,075,000 for savings related to retirement contributions made by the Department. An additional administrative reduction of \$1.0 million was made in the Operations line and \$1,600 was removed from the Information Technology line in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross (3,076,600)
IDG (375,000)
Federal (275,800)
Restricted (309,700)
GF/GP (2,116,100)

Change From FY 2006-07 Initial Appropriation	
---	--

C. TRANSFERS

1. State Budget Office Letter 05-07-07

This administrative transfer between funding sources in the Operations line came from additional funds that were available in the antitrust enforcement collection line. The funds were transferred to the Attorney General's operational fund line so the Department could continue with its antitrust enforcement collections activity. Without the transfer, antitrust enforcement collections revenue would have fallen short of anticipated levels.

Gross	0
GF/GP	0

2. State Budget Office Letter 05-07-07

This legislative transfer increased General Fund authorization in the Operations line item to cover anticipated shortfalls resulting from Executive Order 2007-3. Excess General Fund authorization was available from the Unclassified Positions line item due to lower-than-anticipated expenditures.

Gross	0
GF/GP	0

3. State Budget Office Letter 09-13-07

This administrative transfer of spending authorization within the Operations line item was necessary to recognize the U.S. Department of Health and Human Services approved use of program income by the Department of Attorney General's fraud control unit.

Gross	0
GF/GP	0

CAPITAL OUTLAY

On December 21, 2006, the Governor vetoed the fiscal year (FY) 2006-07 Capital Outlay budget bill (Enrolled Senate Bill 1081) in its entirety. The *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 contains an overview of the Capital Outlay budget as recommended by the Governor.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	N/A	N/A
Gross	0	224,572,800
IDG	0	2,000,000
Federal	0	151,230,200
Local	0	12,648,300
Private	0	0
Restricted	0	58,694,300
GF/GP	0	5,000,000

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

- Public Act 3 of 2007.** This supplemental appropriation contained funding for the Aeronautics Program that was vetoed by the Governor (Enrolled Senate Bill 1081). Supported by the Federal Aviation Administration, State Aeronautics Fund, and local aeronautics match, this appropriation supports a variety of airport improvement and maintenance projects. Approximately 100 of 236 airports qualify for Federal funds. All airport projects are approved by the State Aeronautics Commission. The supplemental also included a \$5.0 million appropriation for construction of the Oscoda-Wurtsmith Airport Maintenance Hangar.

Gross	167,902,600
Federal	137,254,300
Local	12,648,300
Restricted	13,000,000
GF/GP	5,000,000

- Public Act 7 of 2007.** This supplemental included funding to complete access and the parking lot for the new Shiawassee County Armory. The total project cost was increased from \$5,700,000 to \$6,350,000. The State share of the cost increase was funded from the Armory Construction Fund.

Gross	650,000
Federal	150,000
Restricted	500,000
GF/GP	0

- Public Act 41 of 2007.** This supplemental included the remaining Federal and State restricted appropriations related to the FY 2006-07 annual Capital Outlay budget. Funded capital outlay projects included farmland and open space acquisition, Department of Management and Budget lump-sum special maintenance projects, Department of Military and Veterans Affairs projects, Department of Natural Resources projects, and Department of Transportation projects.

Gross	56,020,200
IDG	2,000,000
Federal	13,825,900
Restricted	40,194,300
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. TRANSFERS - NONE

DEPARTMENT OF CIVIL RIGHTS

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	136.0	136.0
Gross	14,020,200	13,852,300
IDG	0	221,000
Federal	1,566,200	1,533,200
Local	0	0
Private	0	0
Restricted	0	55,000
GF/GP	12,454,000	12,043,100

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

The supplemental made reductions in the Operations line of \$50,000, all GF/GP dollars. This reduction was necessary to reduce the overall GF/GP budget deficit for FY 2006-07.

Gross	(50,000)
GF/GP	(50,000)

2. Public Act 41 of 2007

The supplemental appropriated additional funding to the Operations line item from new interdepartmental grant (IDG) and Restricted revenue that became available after the initial appropriation. The IDG funding was Federal pass-through funds from the Department of Community Health that were used by the Department of Civil Rights to provide training on how to obtain Federal funds to assist victims of violent crimes. The \$55,000 of additional restricted revenue was added to the Real Estate Education Fund. The funds became available from additional real estate license fees and were used to provide training on real estate law.

Gross	276,000
IDG	221,000
Restricted	55,000
GF/GP	0

**Change From FY 2006-07
Initial Appropriation**

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Department by \$368,200 for savings related to retirement contributions made by the Department. An additional administrative reduction of \$25,000 was made in the Operations line and \$700 was removed from the Information Technology line in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(393,900)
Federal	(33,000)
GF/GP	(360,900)

C. TRANSFERS - NONE

DEPARTMENT OF CIVIL SERVICE

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	240.5	240.5
Gross	36,547,100	35,284,700
IDG	5,788,100	5,720,200
Federal	4,779,100	3,163,400
Local	1,700,000	1,700,000
Private	150,000	150,000
Restricted	17,157,500	18,213,500
GF/GP	6,972,400	6,337,600

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

The supplemental made reductions in the Executive Direction line of \$168,700, all GF/GP dollars. This reduction was necessary to reduce the overall GF/GP budget deficit for FY 2006-07.

Gross	(168,700)
GF/GP	(168,700)

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Department by \$918,400 for savings related to retirement contributions made by the Department. An additional administrative reduction of \$174,300 was made in the Executive Direction line and \$1,000 was removed from the Information Technology line in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(1,093,700)
IDG	(67,900)
Federal	(315,700)
Restricted	(244,000)
GF/GP	(466,100)

C. TRANSFERS

State Budget Office Letter 09-17-07

This Legislative transfer adjusted authorizations to reflect accurately the actual 1% revenue received from other departments.

Gross	0
Federal	(1,300,000)
Restricted	1,300,000
GF/GP	0

COMMUNITY COLLEGES

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 341 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	N/A	N/A
Gross	289,879,400	247,845,500
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	289,879,400	247,845,500

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

Delayed Payment. After Executive Order 2007-3 was adopted, a supplemental appropriation included additional reductions due to ongoing revenue shortfalls. Included in Public Act 17 of 2007 was an additional reduction to community colleges equal to one-half of their August 2007 payment.

Gross	(12,879,900)
GF/GP	(12,879,900)

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order contained a payment delay of \$12,879,900, which was equal to one-half of community colleges' August 2007 payment. The Executive Order also contained a reduction of \$16,274,100 related to a credit to be issued by the Michigan Public School Employees' Retirement System (MPERS) based on the Governor's proposal to revalue the fair market value of the assets held by the MPERS, and a one-year deferral of payments toward the system's unfunded liabilities, thereby reducing pension contribution rates to be paid by community colleges.

Gross	(29,154,000)
GF/GP	(29,154,000)

C. TRANSFERS - NONE

DEPARTMENT OF COMMUNITY HEALTH

The initial appropriation was contained in Public Act 343 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	4,658.1	4,666.1
Gross	11,196,157,400	11,401,070,400
IDG	37,286,100	35,967,300
Federal	6,042,584,700	6,136,544,700
Local	241,177,400	237,364,800
Private	63,826,900	64,776,900
Restricted	1,871,199,600	1,781,088,200
GF/GP	2,940,082,700	3,145,328,500

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 7 of 2007

- a. **Fund Source Shift Reflected in Executive Order 2007-3.** Executive Order 2007-3 reflected a fund source shift of \$7,250,000 from the Health Professions Regulatory Fund to supplant GF/GP. The GF/GP reduction was recognized in the Executive Order. Funding to reflect the restricted revenue was included in this supplemental (item B.4., below).
- b. **Dental Sealant Funding.** The Act recognized a private grant from Delta Dental of Michigan for the provision of dental sealants to low-income children, as proposed by the Department of Community Health (DCH).

Gross	7,250,000
Restricted	7,250,000
GF/GP	0
Gross	250,000
Private	250,000
GF/GP	0

2. Public Act 17 of 2007

- a. **Failure to Implement Federal Changes in Medicaid Pharmaceutical Rebates.** The FY 2006-07 budget assumed passage of a Federal law that would allow states to claim Medicaid pharmaceutical rebates for pharmaceutical products paid for by Medicaid managed care organizations. The supplemental recognized the failure of Congress to pass such a measure and added funding to cover the costs.

Gross	42,501,100
Federal	24,272,100
Restricted	(7,498,900)
GF/GP	25,727,900

- b. Unrealized Savings.** Due to delays in implementation and obtaining Federal approval for new FY 2006-07 savings initiatives, the supplemental included funding to cover the increased GF/GP costs. The largest item in Gross savings was a delay in implementing an expansion of the hospital Quality Assurance Assessment Program (QAAP), which led to a reduction in Gross appropriations of approximately \$79.0 million. Among other delayed savings were a reduction in guardianship fees, savings from graduate medical education funding in the HMO QAAP, increases in MICHild premiums, savings in health information technology, savings from the Family Planning Waiver, and savings from changes in emergency room copays.
- c. Medicaid Mental Health and Substance Abuse Expenditure Adjustment.** The February 2007 Executive budget proposed additional FY 2006-07 funding for Medicaid mental health and substance abuse services, which was reflected in this supplemental.
- d. Influenza Medication.** The supplemental included funding to cover the State match for antiviral drugs that would be stockpiled in case of a pandemic flu outbreak.
- e. Interdepartmental Grant to the Department of Human Services.** The supplemental included \$1.3 million in Crime Victims' Rights Fund revenue to support an interdepartmental grant to the Department of Human Services for rape prevention and services.
- f. Long-Term Care Services Base Adjustment.** The February 2007 Executive budget proposed a reduction in FY 2006-07 funding for the Long-Term Care Services line to reflect lower final expenditures in FY 2005-06. The supplemental reflected this reduction.
- g. Health Plan Services Fund Source Shift.** Executive Order 2007-3 reflected a fund source shift of \$12.5 million from the additional Medicaid Benefits Trust Fund revenue to supplant GF/GP. The GF/GP reduction was recognized in the Executive Order (item B.1.c.). Funding to reflect the restricted revenue was included in this supplemental.
- h. Reduced Availability of Merit Award Trust Fund Revenue.** The supplemental reflected the reduced availability of Michigan Merit Award Trust Fund revenue. This money from the Tobacco Settlement was replaced by GF/GP funding.

**Change From FY 2006-07
Initial Appropriation**

Gross	(74,696,000)
Federal	(48,575,300)
Restricted	(38,470,400)
GF/GP	12,349,700
Gross	5,521,400
Federal	3,113,000
Restricted	331,300
GF/GP	2,077,100
Gross	15,670,000
GF/GP	15,670,000
Gross	1,300,000
Restricted	1,300,000
GF/GP	0
Gross	(46,000,000)
Federal	(25,934,800)
GF/GP	(20,065,200)
Gross	12,500,000
Restricted	12,500,000
GF/GP	0
Gross	0
Restricted	(69,600,000)
GF/GP	69,600,000

		Change From FY 2006-07 Initial Appropriation	
i. Medicaid Special Financing Adjustment. The supplemental included an adjustment to reflect the replacement of \$4.0 million in unrealized Medicaid special financing savings with additional hospital QAAP revenue.		Gross	0
		Federal	(4,000,000)
		Restricted	4,000,000
		GF/GP	0
j. Healthy Michigan Fund Reductions. The supplemental included reductions in a number of programs funded with Healthy Michigan Fund revenue. In most cases, the funding was cut off effective July 1, 2007. The revenue saved was then used to supplant GF/GP support in the Medicaid base, thus leading to GF/GP savings.		Gross	(3,164,200)
		GF/GP	(3,164,200)
k. Increased Gainsharing in the Hospital and Nursing Home QAAPs. The supplemental increased gainsharing for the hospital and nursing home QAAPs by \$3,229,700 apiece (item A.3.g.).		Gross	(14,808,300)
		Federal	(8,348,900)
		GF/GP	(6,459,400)
3. Public Act 41 of 2007			
a. Transfer of Pharmaceutical Dollars. The FY 2006-07 budget assumed passage of a Federal law that would allow states to claim Medicaid pharmaceutical rebates for pharmaceutical products paid for by Medicaid managed care organizations. In order for the State to claim QAAP savings, funding for antipsychotic medications was transferred to the Medicaid Mental Health Services line and funding for antidepressant medications was transferred to the Health Plan Services line. Due to failure to pass the proposed Federal law, the supplemental shifted funding of about \$235.8 million Gross back into the Pharmaceutical Services line.		Gross	0
		GF/GP	0
b. Community Mental Health (CMH) Wage Pass-Through. The original FY 2006-07 budget included funding for a 2% wage pass-through for CMH employees. The amount appropriated to cover that increase was insufficient, so the supplemental included funding to cover the full cost.		Gross	7,300,000
		Federal	3,157,300
		Restricted	336,000
		GF/GP	3,806,700
c. Federal Medicaid Transformation Grant. The supplemental recognized the receipt of a Medicaid transformation grant, allowing the DCH to increase funding and add staff.		FTE	8.0
		Gross	5,600,000
		Federal	5,600,000
		GF/GP	0
d. Kellogg Foundation Grant. The supplemental recognized a grant from the Kellogg Foundation to support healthy behaviors programming as well as the Office of the State Surgeon General.		Gross	700,000
		Private	700,000
		GF/GP	0

- e. **Additional Women, Infants, and Children (WIC) Funding.** The supplemental recognized additional Federal WIC funding.
- f. **Interdepartmental Grant to the Department of State Police.** The supplemental included just over \$1.0 million in Crime Victims' Rights Fund revenue to support an interdepartmental grant to the Department of State Police.
- g. **Removal of Increased Hospital and Nursing Home QAAP Gainsharing Contained in Public Act 17.** The supplemental removed the increased hospital and nursing home QAAP gainsharing that was included in Public Act 17 (item A.2.k.).
- h. **Increase in Hospital QAAP Revenue.** The supplemental reflected the expansion of the hospital QAAP.
- i. **Medicaid Base and Caseload Consensus.** The supplemental reflected the May 2007 consensus estimate for Medicaid expenditures. This consensus, agreed to by the Office of State Budget, the Senate Fiscal Agency, and the House Fiscal Agency, included both expenditure and fund source adjustments.
- j. **Healthy Michigan Fund Adjustment.** The supplemental included a shift of \$25,000 in Healthy Michigan Fund revenue from the Pregnancy Prevention Program to the Morris Hood Diabetes Program.

**Change From FY 2006-07
Initial Appropriation**

Gross	10,713,000
Federal	10,713,000
GF/GP	0
Gross	1,033,200
Restricted	1,033,200
GF/GP	0
Gross	14,808,400
Federal	8,349,000
GF/GP	6,459,400
Gross	23,400,000
Federal	13,192,900
Restricted	10,207,100
GF/GP	0
Gross	243,177,700
Federal	121,013,000
Restricted	(10,239,100)
GF/GP	132,403,800
Gross	0
GF/GP	0

Gross	(864,600)
GF/GP	(864,600)
Gross	(5,000,000)
Federal	(2,819,000)
GF/GP	(2,181,000)

B. EXECUTIVE ORDERS

Executive Order 2007-3

- 1. **Worker's Compensation.** The Executive Order reduced funding in the Worker's Compensation line.
- 2. **Implementation of New Outpatient Reimbursement Policy.** The Executive Order assumed savings from implementation of a new outpatient reimbursement policy for those dually eligible for Medicaid and Medicare. The State's Medicaid program no longer covered the cost of copayments for outpatient services provided to these individuals.

3. **Medicaid Benefits Trust Fund Adjustment.** The Executive Order reflected the GF/GP savings due to the increased availability of Medicaid Benefits Trust Fund dollars to support the Health Plan Services line (item A.2.g.).
4. **Health Professions Fund Adjustment.** The Executive Order reflected the GF/GP savings due to shifting surplus Health Professions Regulatory Fund revenue to support health information technology initiatives (item A.1.a.).
5. **Assumed Savings from Implementation of Estate Recovery.** The Executive Order included assumed savings from implementation of a Medicaid estate recovery program.
6. **Information Technology Savings.** The Executive Order assumed savings in information technology contracts.
7. **Retirement Funding Savings.** The Executive Order assumed savings from changes in the cost to the DCH for retirement benefits.

Change From FY 2006-07 Initial Appropriation	
Gross	(12,500,000)
GF/GP	(12,500,000)
Gross	(7,250,000)
GF/GP	(7,250,000)
Gross	(3,897,300)
Federal	(2,197,300)
GF/GP	(1,700,000)
Gross	(2,700)
GF/GP	(2,700)
Gross	(18,628,700)
IDG	(1,318,800)
Federal	(3,575,000)
Local	(3,812,600)
Restricted	(1,260,600)
GF/GP	(8,661,700)

C. TRANSFERS

1. State Budget Office Letter 05-07-07

- a. **Department Contractual Savings.** A transfer of about \$3.5 million was made between a number of lines to recognize contractual savings achieved by the DCH.
- b. **Research Triangle Institute Grant.** A transfer of \$525,000 in Federal authorization was made from the Immunization Local Agreements line to the Departmental Administration and Management line to recognize a grant from the Research Triangle Institute to study security and privacy concerns related to health information technology.
- c. **Developmental Disabilities Grant.** A transfer of \$600,000 in Federal authorization was made from the Immunization Local Agreements line to the Developmental Disabilities Council and Projects line to recognize carryforward grant revenue.

Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0

		Change From FY 2006-07 Initial Appropriation	
d. Private Long-Term Care Grant. Private authorization in the Mental Health/Substance Abuse Program Administration line was increased by \$60,000 through a transfer from the Women, Infants, and Children Program Local Agreements and Food Costs line. This transfer permitted the DCH to recognize a grant from the Robert Wood Johnson Foundation designed to provide more choice in care setting for recipients of Medicaid long-term care services.	Gross		0
	GF/GP		0
e. Mental Health Administration. A transfer of \$264,000 in Federal authorization was made from the Community Substance Abuse Prevention, Education and Treatment Program line to the Mental Health Substance Abuse Program Administration line to recognize additional Federal Medicaid revenue.	Gross		0
	GF/GP		0
f. Alzheimer's Grant. Federal carryforward funding from a grant that provides caregiver education and training for Alzheimer's patients necessitated a transfer of \$110,000 in Federal authorization between the Highway Safety Projects and the Mental Health Initiatives for Older Persons lines.	Gross		0
	GF/GP		0
g. Community Residential and Support Services. Federal authorization in the Community Residential and Support Services line was increased by \$200,000, via a transfer from the Immunization Local Agreements line, to recognize contractual savings.	Gross		0
	GF/GP		0
h. Child Care Development Grant. A transfer of \$1.3 million in Federal authorization was made to the Federal and Other Special Projects line from the Health Systems Administration line to recognize the current Child Care Development grant from the Department of Human Services for the Child Care Expulsion Project administered by DCH.	Gross		0
	GF/GP		0
i. Federal Housing Grant. A transfer of \$910,000 in Federal authorization was made from the Bioterrorism Preparedness line to the Housing and Support Services line to recognize larger-than-anticipated Federal housing grants.	Gross		0
	GF/GP		0
j. Mental Health Block Grant. A transfer of \$2.0 million in Federal authorization was made from several lines to the Federal Mental Health Block Grant line to recognize higher-than-anticipated Federal Mental Health Block Grant revenue.	Gross		0
	GF/GP		0
k. State Mental Health Facility Transfer. A transfer of \$3.0 million Gross was made between several mental health facilities to adjust allocations to State facilities to more accurately reflect patient census and projected expenditures.	Gross		0
	GF/GP		0

- l. Michigan Essential Health Provider Program.** A transfer of \$32,300 in private authorization was made from the Women, Infants, and Children Program Local Agreements and Food Costs line to the Michigan Essential Health Provider program to recognize private donations from several hospitals in the State.

- m. Emergency Medical Services Grant.** Increased Federal Preventive Health Block Grant revenue was used to support contract costs in the Emergency Medical Services Grants and Services line. A transfer of \$64,000 in Federal authorization was made from the Immunization Local Agreements line to support the additional Federal grant award.

- n. Nursing Workforce Summit.** A transfer of \$94,000 in private authorization was made between the Women, Infants, and Children Local Agreements and Food Costs line and the Nurse Scholarship, Education and Research Program line to recognize a W.K. Kellogg Foundation grant for a summit on nursing workforce issues.

- o. Health Professions Recovery Program.** A transfer of \$1.7 million in State restricted authorization was made to the Health Professions line to account for increased demand in the health professions recovery program. Authorization was transferred from the Health Systems Administration and Nurse Scholarship, Education and Research Program lines.

- p. Pediatric AIDS Grant.** A transfer of \$200,000 in Federal authorization was made from the AIDS Prevention, Testing and Care Programs line to the Pediatric AIDS Prevention and Control line to support the State pediatric AIDS program.

- q. Newborn Screening.** Increased costs for lab supplies for the newborn screening program necessitated a transfer of \$610,400 in State restricted authorization between the Health Systems Administration and Laboratory Services lines.

- r. Local Public Health Medicaid Outreach.** Federal authorization was transferred from the Laboratory Services and Family Planning Local Agreements line to make up a \$2.6 million shortfall in Federal authorization for Medicaid outreach efforts by local public health departments in the Medical Services Cost Reimbursement to Local Health Departments line.

- s. Childhood Lead Outreach.** A transfer of \$147,000 was made between the Family Planning Local Agreements line and the Childhood Lead Program line to recognize increased Federal Medicaid support for childhood lead outreach activities.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0

- t. **Prenatal Care Outreach.** Increased Federal Medicaid funding for prenatal care outreach activities for the nurse family partnership program necessitated a transfer of \$345,000 in Federal authorization from the Family Planning Local Agreements line to the Prenatal Care Outreach and Service Delivery Support line.
- u. **Crime Victim Services.** A transfer of \$176,000 in State restricted and Federal authorization was made between the Crime Victim Rights Service Grants and Justice Assistance Grants lines to the Grants Administration Services line to recognize increased administrative costs for crime victim services.
- v. **Medicaid Physician Adjustor Payments.** Increased State restricted costs associated with public physician adjustor payments made through the Medicaid program necessitated a \$100,000 transfer from the Health Systems Administration line to the Medical Services Administration line.
- w. **MIChoice Expansion.** About \$1.2 million in Federal and Local authorization was transferred from the Medicaid Mental Health Services line to the Medicaid Home- and Community-Based Services Waiver line to recognize expansion of the MIChoice program in Wayne County.
- x. **Medicaid Management Information System.** Nearly \$3.0 million in General Fund support was transferred from a number of lines to the Michigan Medicaid Information Technology System line to fund the creation of a new computer system to support the Medicaid program. General Fund savings were achieved through staff vacancies and reduced pharmaceutical expenditure.
- y. **WIC Information Technology.** Federal funds for an upgrade in information technology used to support the Women, Infants, and Children Food program was made available to the State. A transfer of \$2.0 million in Federal authorization was made between the Bioterrorism Preparedness line and the Information Technology Services and Projects line to recognize the Federal grant.
- z. **Rent and Building Occupancy Costs.** An administrative transfer of \$336,600 in Federal authorization was made between the Epidemiology Administration line and the Rent and Building Occupancy line to support increased facility costs.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0

2. **State Budget Office Letter 09-07-07**

Change From FY 2006-07 Initial Appropriation		
a. Federal Developmental Disabilities Grant. Carryforward Federal revenue from a developmental disabilities grant necessitated a transfer of \$250,000 in authorization from the Medicaid Mental Health Services line to the Developmental Disabilities Council and Projects line.	Gross GF/GP	0 0
b. "Money Follows the Person" Grant. A transfer of \$116,000 in Federal authorization was made between the Medicaid Mental Health Services line and the Federal and Other Special Projects line to account for the receipt of a Federal "Money Follows the Person" Initiative grant.	Gross GF/GP	0 0
c. Base Adjustment State Hospitals and Centers. Nearly \$8.0 million in General Fund support was transferred from a number of lines to the Community Mental Health Service Program (CMHSP), Purchase of State Services Contracts line to account for a recognized shortfall in available funds to cover the placement of individuals with serious mental illness in State hospitals and centers.	Gross GF/GP	0 0
d. Omnibus Reconciliation Act Implementation Adjustment. Higher-than-anticipated costs associated with pre-admission screening for individuals seeking nursing home services necessitated a transfer of \$343,800 GF/GP from the Medical Care and Treatment line to the Omnibus Reconciliation Act Implementation line.	Gross GF/GP	0 0
e. Michigan Essential Health Provider Program Adjustment. Private authorization in the Michigan Essential Health Provider line was increased by \$22,000 through a transfer from the Women, Infants, and Children Program Agreements and Food Costs line to account for higher-than-anticipated program expenditures.	Gross GF/GP	0 0
f. AIDS Pharmacy Rebate Adjustment. Increased private pharmacy rebates generated through the AIDS drug assistance program made a transfer of \$1.0 million in private authorization necessary. Authorization was shifted between the Women, Infants, and Children Program Local Agreements and Food Costs line to the AIDS, Prevention, Testing, and Care Programs line.	Gross GF/GP	0 0
g. Pediatric AIDS Federal Awards. A transfer of \$10,000 in Federal authorization was made between the AIDS, Prevention, Testing, and Care Programs line to the Pediatric AIDS Prevention and Care line to recognize increased Federal grant awards.	Gross GF/GP	0 0

		Change From FY 2006-07 Initial Appropriation	
h.	March of Dimes Grant. Michigan received a grant from the March of Dimes to study safe fish consumption in FY 2006-07. A transfer of \$8,100 in private authorization was made between the Women, Infants, and Children Program Local Agreements and Food Costs line and the Epidemiology Administration line.	Gross	0
		GF/GP	0
i.	Lead Abatement Fees. To recognize carryforward fee revenue from the lead abatement program, the Legislature approved a transfer of \$94,700 in State restricted authorization between the Laboratory Services and Lead Abatement Program lines.	Gross	0
		GF/GP	0
j.	Federal Diabetes Grants. Federal authorization was increased by \$110,000 in the Diabetes and Kidney Program line to properly reflect Federal diabetes grant awards to the State. The Federal authorization was transferred from the Violence Prevention line.	Gross	0
		GF/GP	0
k.	WIC Base Adjustment. A transfer of about \$11.6 million in Federal authorization was made between the Michigan First Healthcare Plan line and Women, Infants, and Children Program Local Agreements and Food Costs line. This transfer was made to account for increased caseload and food costs in the WIC program.	Gross	0
		GF/GP	0
l.	Office of Services to the Aging (OSA) Project FRESH. Private authorization was increased in the Nutrition Services line to cover projected expenditures in the Project FRESH nutrition program. A transfer of \$71,000 in private authorization was made from the Women, Infants, and Children Program Local Agreements line to cover this need.	Gross	0
		GF/GP	0
m.	OSA Employment Assistance. A transfer of \$55,000 in Federal authorization was made between the Community Services and Employment Assistance Services lines. This transfer was necessary to recognize increased Federal grant revenue.	Gross	0
		GF/GP	0
n.	Child Health Improvement Grant. Federal authorization in the Medical Services Administration line was increased by \$10,000 to accommodate a private grant awarded to the State from the University of Vermont to study child health collaboration. Private authorization was shifted from the Women, Infants, and Children Program Local Agreements and Food Costs line to complete the transfer.	Gross	0
		GF/GP	0
o.	Information Technology Adjustment. A transfer of \$600,300 GF/GP was made between the Medical Care and Treatment line and the Information Technology Services and Projects line to fill a base shortfall in information technology used in the Children's Special Health Care Services program.	Gross	0
		GF/GP	0

3. State Budget Office Letter 11-01-07

		Change From FY 2006-07 Initial Appropriation	
a. Medicaid Mental Health Services. General Fund support was increased in the Medicaid Mental Health Services line by \$650,000 to account for anticipated accrual costs in the line. Funds were transferred from the Health Plan Services line.	Gross	0	
	GF/GP	0	
b. State Hospitals and Centers Base Adjustment. Nearly \$3.9 million in General Fund revenue was transferred from the Medical Care and Treatment and Health Plan Services lines to the CMHSP, Purchase of State Services Contracts line to account for a shortfall in funding used to support State psychiatric hospitals and centers.	Gross	0	
	GF/GP	0	
c. Laboratory Services. A transfer of \$450,000 in State restricted authorization was made between the Departmental Administration and Management and the Health Systems Administration lines to the Laboratory Services line to account for higher-than-anticipated State spending on lab supplies.	Gross	0	
	GF/GP	0	
d. Medicaid Outreach Local Public Health. A transfer of \$555,000 in Federal authorization was made between the Bioterrorism Preparedness line and the Medical Services Cost Reimbursement to Local Health Departments lines. These funds were used to offset higher-than-anticipated Medicaid outreach costs incurred by local public health departments.	Gross	0	
	GF/GP	0	
e. Healthy Michigan Fund (HMF) Transfer Alzheimer's and Diabetes Programs. Public Act 17 of 2007 reduced HMF support for a number of programs in FY 2006-07. A transfer of \$63,000 in State restricted authorization was made from the Smoking Prevention Program line to the Alzheimer's Information Network and Diabetes and Kidney Program lines to cover contract costs imposed by HMF programs funded through these lines prior to the imposition of these reductions.	Gross	0	
	GF/GP	0	
f. Healthy Michigan Fund Transfer Childhood Lead. Public Act 17 of 2007 reduced HMF support for a number of programs in FY 2006-07. A transfer of \$68,100 in State restricted authorization was made from the Pregnancy Prevention line to the Childhood Lead Program line to cover contract costs imposed by this program prior to the imposition of these reductions.	Gross	0	
	GF/GP	0	
g. MICHild Base Adjustment. A transfer of \$2.5 million in Federal authorization was made between the Medicaid Services Administration line and the MICHild Program line to account for higher-than-anticipated costs in the MICHild program.	Gross	0	
	GF/GP	0	

- h. **Medicaid Base Adjustment.** As is usually the case at book-closing, the authorization amounts in a number of Medicaid accounts were adjusted to reflect final book-closing estimates of expenditures. A total of \$14.3 million was transferred from various accounts, mostly from excess Federal authorization.
- i. **Michigan Medicaid Information System.** Nearly \$3.4 million in GF/GP revenue was transferred from a number of program lines to the Michigan Medicaid Information System line. Contract and vacancy savings resulted in GF/GP savings in these lines.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
GF/GP	0

DEPARTMENT OF CORRECTIONS

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	17,782.0	17,782.0
Gross	1,940,421,500	1,953,623,000
IDG	1,238,400	2,108,400
Federal	11,431,500	11,431,500
Local	420,900	420,900
Private	0	0
Restricted	68,775,700	67,784,700
GF/GP	1,858,555,000	1,871,877,500
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 331 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 3 of 2007

The supplemental included \$12.6 million for hospital and specialty care services. The additional funding was necessary due to increased prisoner hospital visits.

Gross	12,600,000
GF/GP	12,600,000

2. Public Act 17 of 2007

The supplemental provided \$23.6 million for additional prison beds as well as \$3.0 million for prison clinics. Additional funding was needed due to the higher-than-anticipated prison population and increased demand and cost for pharmaceuticals. Negative supplemental appropriations eliminated the compensatory buy-out and union leave bank for savings of \$275,000, and removed \$441,700 from the parole and probation special operations program. The \$1.3 million parole and probation special operations program line item provided funding for Project Joshua and Project Safe Neighborhoods. In conjunction with Executive Order 2007-3, this supplemental eliminated half of the funding for these programs.

Gross	25,883,300
GF/GP	25,883,300

3. Public Act 41 of 2007

The supplemental provided \$24,376,900 for hospital and specialty care services, \$671,800 for prison clinics, \$2.7 million for the Hadix consent decree, and \$15,512,300 for correctional facilities in accordance with consensus expenditure estimates. Hadix funding provided for additional infirmary beds, moving the dialysis unit to Ryan Correctional Facility in order to close Southern Michigan Correctional Facility, and various court-ordered expenditures. A portion of the funding for prison clinics was provided by Federal HIV drug assistance funding that was granted to the Michigan Department of Community Health.

Change From FY 2006-07 Initial Appropriation	
Gross	43,261,000
IDG/IDT	870,000
GF/GP	42,391,000

B. EXECUTIVE ORDERS

Executive Order 2007-3

Executive Order 2007-3 included retirement savings of \$50,493,200 through the reduction of defined benefit contributions to the State Employees' Retirement System. Re-valuation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities reduced contribution payments. Additionally, \$14,372,400 was saved through the transfer of funds from the Health Advance Funding Subaccount to the Employer's Accumulation Fund within the State Employees' Retirement System to pay a portion of the pension costs on behalf of the Michigan Department of Corrections (MDOC). These retirement changes resulted in GF/GP savings as well as savings to the Correctional Industries Revolving Fund.

Gross	(68,542,800)
Restricted	(991,000)
GF/GP	(67,551,800)

The Executive Order also included half-year administrative savings for the Department of Information Technology, saving \$5,800, and \$963,100 in workers' compensation savings. The Executive Order cancelled correctional officer training schools for the remainder of the fiscal year for savings of \$2.5 million. A \$208,300 reduction for the parole and probation special operations program line item eliminated five months of funding for Attorney General operations following that Office's announcing the end of its participation in Project Joshua.

**Change From FY 2006-07
Initial Appropriation**

C. TRANSFERS

1. State Budget Office Letter 05-07-07

a. Inmate Legal Services. This transfer increased funding by \$390,000 for legal writer services pursuant to a Federal court order in the *Knop v. Johnson* case. This program provides minimal access to courts for prisoners who are unable to assist themselves in drafting and filing legal pleadings. Funding was available for transfer due to hiring freeze vacancies and spending restrictions in the academic/vocational programs line item.

Gross 0
GF/GP 0

b. Staffing Costs. This transfer provided \$3,050,000 for increased overtime costs at Mound and Ryan correctional facilities. Mound and Ryan are responsible for providing correctional officers at hospitals in Detroit for admitted prisoners from those facilities and other southeastern Michigan facilities. Overtime costs were higher due to increases in hospital transportation coverage and an increase in the number of correctional officers opting for paid overtime in lieu of using compensatory time. Funding was available due to hiring freeze vacancies and spending restrictions in the academic/vocational programs line item and at Oaks, Gus Harrison, Lakeland, Pine River, and Riverside correctional facilities.

Gross 0
GF/GP 0

2. State Budget Office Letter 05-07-07

Correctional Facilities Administration. The administrative transfer adjusted amounts between Federal financing sources for the Correctional Facilities Administration by using \$100,000 of additional U.S. Department of Education (DED) Office of Special Education and Rehabilitative Services funding to replace U.S. DED adult literacy grants.

Gross 0
GF/GP 0

3. State Budget Office Letter 09-17-07

a. Health Care. This transfer provided \$750,000 to the Northern region prison clinics. Clinical costs in the Northern region have increased because more medically needy prisoners have been sent to this region, which has more stable clinical staffing compared with the other two regions. Funding was available due to clinical savings in the Southwestern region along with vacancies and spending restrictions in health care administration and the U.S. Department of Justice (DOJ) consent decree.

Gross 0
GF/GP 0

		Change From FY 2006-07 Initial Appropriation	
		Gross	0
		GF/GP	0
<p>b. Detainer Expenses/Housing Inmates in Federal Institutions. This transfer provided \$1.6 million for detainer payments to counties and payments to the Federal Bureau of Prisons for housing State inmates. Detainer expenses are payments for housing parole violators. Expenses for housing inmates in Federal institutions have increased because the MDOC is housing fewer Federal inmates in Michigan prisons to offset the cost of the 28 Michigan inmates housed in Federal prisons. Funding was available in the academic/vocational programs line item due to spending restrictions and vacancies.</p>			
		Gross	0
		GF/GP	0
<p>c. DOJ Psychiatric Plan. This transfer provided \$500,000 to the DOJ Psychiatric Plan for increased overtime costs for custody positions and contractual nursing services for patients with psychiatric needs at Duane Waters Hospital. Funding was available due to vacancies and spending restrictions at Thumb Correctional Facility and the Special Alternative Incarceration Program, as well as a reduction of fuel and utility costs for Jackson area support and services because of bed closures in the Jackson facilities.</p>			
		Gross	0
		GF/GP	0
<p>d. Correctional Facility Costs. This transfer provided \$3,675,000 to Huron Valley and Scott correctional facilities for overtime costs related to hospital coverage as well as Handlon Correctional Facility for increased costs related to moving the Residential Treatment Program to the facility. Funding was available due to vacancies and spending restrictions at Oaks, Saginaw, Cotton, Macomb, and Pine River correctional facilities, as well as in the academic/vocational programs line item.</p>			
		Gross	0
		GF/GP	0
<p>4. State Budget Office Letter 11-01-07</p>			
		Gross	0
		GF/GP	0
<p>a. Guard Tower Staffing. This transfer provided \$550,000 to Mound and Ryan correctional facilities for guard tower-related overtime costs. Funding was available at Cotton Correctional Facility and Jackson area support and services due to vacancies and spending restrictions at the Jackson complex.</p>			
		Gross	0
		GF/GP	0
<p>b. Re-Entry Programs. This transfer provided \$900,000 for local residential and transitional housing contracts for prisoner re-entry programs. Additional funding was necessary due to the increase in moves to parole. Funding was available from Southern Michigan Correctional Facility and Jackson area support and services due to the closure of housing units at Southern Michigan, along with other spending restrictions in the Jackson complex.</p>			

- c. **Restricted Revenue Shortfalls.** This transfer provided \$3,050,000 to Field Operations to address restricted revenue shortfalls in oversight and tether fees, as well as to Residential Services to address shortfalls in telephone fees and commissions. Funding was available due to administrative savings in workers' compensation, local contract underutilization in Community Corrections Comprehensive Plans and Services, and spending restrictions and vacancies in unclassified positions, executive direction, loans to parolees, Jackson area support and services, Special Alternative Incarceration Program, and Saginaw, Cooper Street, Cotton, and Parnall correctional facilities.
- d. **Health Care.** This transfer provided \$500,000 to the Northern region prison clinics to meet the increase in clinical costs due to the reduction in nursing vacancies. Funding was available due to cost containment efficiencies in hospital and specialty care services that were the result of the decrease in off-site medical care from the increase in prison clinic nursing staff.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
GF/GP	0

DEPARTMENT OF EDUCATION

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	435.5	435.5
Gross	90,590,100	89,432,300
IDG	0	0
Federal	67,570,600	66,745,000
Local	5,985,600	5,937,300
Private	2,914,400	2,914,400
Restricted	7,527,000	7,647,300
GF/GP	6,592,500	6,188,300

The initial appropriation was contained in Public Act 332 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

Public Act 17 reduced Central Support Operations by \$65,000 GF/GP and reduced Early Childhood Education and Family Services Operations by \$25,400 GF/GP. These reductions reflected the availability of mid-year funding from unfilled employee positions; it was anticipated that the funding otherwise would lapse.

Gross	(90,400)
GF/GP	(90,400)

2. Public Act 41 of 2007

Public Act 41 increased Grants Administration and School Support Services by \$227,000 from restricted Commodity Distribution Fees. This appropriation was necessary to pay for transitional costs, such as food transport and food processing vendor payments, associated with the termination of a contract with Northern Warehouse.

Gross	227,000
Restricted	227,000
GF/GP	0

**Change From FY 2006-07
Initial Appropriation**

B. EXECUTIVE ORDERS

Executive Order 2007-3

Due to reductions in required departmental contributions to the retirement systems, gross savings of \$1,116,100 (\$135,500 GF/GP) were achieved. In addition, the Best Practices Study was eliminated (\$175,000 GF/GP) and Information Technology was reduced by \$3,300 GF/GP.

Gross	(1,294,400)
Federal	(825,600)
Local	(48,300)
Restricted	(106,700)
GF/GP	(313,800)

C. TRANSFERS - NONE

DEPARTMENT OF ENVIRONMENTAL QUALITY - CLEAN MICHIGAN INITIATIVE

The initial appropriation was contained in Public Act 343 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	0.0	0.0
Gross	14,411,000	25,411,000
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	14,411,000	25,411,000
GF/GP	0	0
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 41 of 2007

- Brownfield Grants and Loans.** Brownfield grants and loans are awarded to local units of government or other public bodies to investigate and remediate identified sites with environmental contamination. The projects must have an anticipated economic development result such as job creation, private investment, or property tax increase. The program is supported with revenue from the Clean Michigan Initiative bond.
- Green Chemistry Initiative.** Pollution prevention funds from the Clean Michigan Initiative bond were appropriated to support grants for research and implementation of technologies to reduce the use and development of hazardous substances in order to promote sustainable economic development.

Gross	10,000,000
Restricted	10,000,000
GF/GP	0
Gross	1,000,000
Restricted	1,000,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. TRANSFERS - NONE

DEPARTMENT OF ENVIRONMENTAL QUALITY - OPERATIONS

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	1,561.7	1,561.7
Gross	429,333,500	422,668,600
IDG	18,233,600	18,009,500
Federal	140,288,500	137,567,800
Local	0	0
Private	450,000	450,000
Restricted	236,533,000	235,853,600
GF/GP	33,828,400	30,787,700
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 343 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 7 of 2007

a. Land and Water Fund Shift. Funding of \$737,000 was appropriated from the Environmental Protection Fund to offset a loss of \$362,000 in Federal funding from the National Oceanic and Atmospheric Administration and a loss of \$375,000 in Federal funding from the U.S. Department of Homeland Security for land and water management programs.

Gross	0
Federal	(737,000)
Restricted	737,000
GF/GP	0

b. Air Quality Fund Shift. Funding of \$280,000 was appropriated from the Environmental Protection Fund to replace the loss of \$150,000 in Federal funds and \$130,000 in fees and collections from dry cleaning establishments in Air Quality programs.

Gross	0
Federal	(150,000)
Restricted	150,000
GF/GP	0

2. Public Act 17 of 2007

Cleanup Administration Reduction. In order to meet reduced General Fund revenue estimates and as part of the resolution of the FY 2006-07 budget, the appropriation for oversight of cleanup projects was reduced.

Gross	(311,000)
GF/GP	(311,000)

**Change From FY 2006-07
Initial Appropriation**

3. Public Act 41 of 2007

- a. Bio-Watch.** The current bio-watch program provides outdoor monitoring at 29 sites in Michigan. Federal funding was appropriated to expand the program to include indoor monitoring at airports and train stations.
- b. Office of the Great Lakes.** Money from the Great Lakes Protection Fund was appropriated as the matching dollars for a Federal grant that will be used for the implementation of ballast water best management practices to reduce the intake of aquatic nuisance species by ships on the Great Lakes.
- c. Information Technology Fund Shift.** Appropriations from the Refined Petroleum Fund and laboratory service fees offset a loss of Federal funding that was supporting information technology projects.

Gross	575,000
Federal	575,000
GF/GP	0
Gross	45,000
Federal	22,500
Restricted	22,500
GF/GP	0
Gross	0
IDG	122,200
Federal	(344,000)
Restricted	221,800
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Retirement and Health Advance Account Savings

Budget savings were achieved through the reduction of defined benefit contributions to the State Employees' Retirement System due to a re-valuation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities. Savings also were realized by the transfer of funds from the Health Advance Funding Subaccount to the Accumulation Fund within the system to pay a portion of the pension costs, which reduced the required contribution payments. A portion of the savings was used to refund Federal dollars used in previous years to support the system.

Gross	(5,373,200)
IDG	(199,400)
Federal	(1,972,300)
Restricted	(2,072,500)
GF/GP	(1,129,000)

2. Drinking Water Revolving Loan Fund Reduction

The State provides a 20% match to Federal capitalization grants that support the Drinking Water Revolving Loan Program, which issues loans to local units of government for drinking water facility construction and upgrade. In order to meet reduced General Fund revenue estimates, State matching funds for the Federal grant were reduced.

Gross	(1,600,000)
GF/GP	(1,600,000)

3. Information Technology Reduction

A General Fund reduction for the Department of Information Technology was allocated across all State departments in the specific budget units supporting information technology services. This reduction is the portion applied to the Department of Environmental Quality.

Change From FY 2006-07 Initial Appropriation	
Gross	(700)
GF/GP	(700)

C. TRANSFERS

1. State Budget Office Letter 05-07-07

- a. **Cleanup Site Funding.** An administrative transfer moved authorization of \$500,000 between restricted fund sources supporting cleanup sites since the Environmental Response Fund did not have enough revenue to support the ongoing projects.
- b. **Information Technology.** An administrative transfer made adjustments totaling \$20,000 in Federal support for information technology purposes to reflect allowable expenses.
- c. **Departmentwide Information Technology.** An administrative transfer moved \$392,000 in spending authorization in restricted funds between information technology and central operations to concur with the cost allocation plan.
- d. **Laboratory Services.** An administrative transfer of \$146,900 corrected the omission of fees from laboratory services, which are appropriated as an interdepartmental transfer within the budget, from consideration in the cost allocation plan.
- e. **Cost Allocation Plan.** An administrative transfer of \$10,000 adjusted the appropriations from water analysis fees and the Water Pollution Control Revolving Fund to be consistent with the cost allocation plan.

Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
IDG	(146,900)
Restricted	146,900
GF/GP	0
Gross	0
GF/GP	0

2. State Budget Office Letter 05-07-07

- a. **Strategic Water Quality Initiatives Administration.** The Strategic Water Quality Initiatives Fund issued grants and loans, but grant administration funding was insufficient to support the necessary application reviews. A transfer of \$184,700 moved money from the appropriation for the grants and loans to grants administration.

Gross	0
GF/GP	0

- b. Federal Funding.** A transfer of \$30,000 was approved to move Federal funding from information technology to central operations to align the appropriation with necessary expenditures.
- c. Aquatic Nuisance.** Federal support for the aquatic nuisance program was lower than anticipated. In order for the Department to process permit applications as needed and maintain the program level, the transfer replaced Federal funding with available revenue from State aquatic nuisance permit fees.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
Federal	(114,900)
Restricted	114,900
GF/GP	0

EXECUTIVE OFFICE

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	74.2	74.2
Gross	5,509,900	5,272,900
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	5,509,900	5,272,900

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

The supplemental made reductions in the Operations line of \$194,000, all GF/GP dollars. This reduction was necessary to reduce the overall GF/GP budget deficit for FY 2006-07.

Gross	(194,000)
GF/GP	(194,000)

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Executive Office by \$43,000 for savings related to retirement contributions made by the office.

Gross	(43,000)
GF/GP	(43,000)

C. TRANSFERS - NONE

HIGHER EDUCATION

The initial appropriation was contained in Public Act 340 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	1.0	1.0
Gross	1,787,491,300	1,610,750,400
IDG	0	0
Federal	3,000,000	3,000,000
Local	0	0
Private	0	0
Restricted	159,700,000	243,700,000
GF/GP	1,624,791,300	1,364,050,400

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

- a. **Payment Delay.** Part of the FY 2006-07 solution to an impending budget deficit was the delay of the August 2007 State payment to each of the 15 public universities, the Agricultural Experiment Station (AES), and the Cooperative Extension Service (CES). The total August 2007 payment would have been \$138,736,000. This public act delayed half of that payment (\$69,368,000) and Executive Order 2007-3 (item B.1., below) delayed the other half.
- b. **Operations Reduction.** Operations appropriations for the 15 public universities were reduced by \$25,882,000 based on a proportional reduction in the amount of the Operations increase received by each university for the fiscal year. For example, since Grand Valley State University had initially received a larger percent increase (6.0%) than Wayne State University (2.5%), Grand Valley took a larger share (3.4%) of the \$25,882,000 reduction than Wayne State (1.5%).
- c. **Michigan Tuition Grants.** These need-based grants for students at independent colleges and universities were reduced by \$2.1 million or 3.6%, which produced an FY 2006-07 year-to-date appropriation of \$56,668,100.

Gross	(97,350,000)
GF/GP	(97,350,000)

2. Public Act 41 of 2007

Fund Shift. Public Act 34 of 2007 allowed the Michigan Higher Education Student Loan Authority to transfer funds to the Michigan Merit Award Trust Fund. In Public Act 41 of 2007, an amount of \$90.0 million was transferred to the Merit Award Trust Fund and was used to replace State General Fund/General Purpose (GF/GP) revenue as a fund source for the Grants and Financial Aid appropriation unit in the Higher Education budget, resulting in a \$90.0 million GF/GP saving for the State. The replacement of \$90.0 million in GF/GP financing with Merit Award Trust Fund revenue occurred in these programs: State Competitive Scholarships (\$25.8 million), Tuition Grants (\$49.3 million), Work Study (\$7.3 million), and TIP (\$7.6 million).

B. EXECUTIVE ORDERS

Executive Order 2007-3

- 1. Payment Delay.** The total August 2007 State payment to the 15 public universities, AES, and CES would have been \$138,736,000. This Executive Order delayed half of that payment (\$69,368,000) and Public Act 17 of 2007 (item A.1.a., above) delayed the other half.
- 2. Retirement Savings.** Savings for the State were achieved through a reduction of FY 2006-07 defined benefit contributions to the Michigan Public School Employees' Retirement System. Revaluation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities reduced by \$4,022,900 the required contribution payments for seven of the public universities that participate in the system. The amounts reduced from each school were: Central (\$834,200), Eastern (\$665,900), Ferris (\$704,600), Lake Superior (\$143,700), Michigan Tech (\$369,200), Northern (\$417,200), and Western (\$888,100).
- 3. Michigan Merit Award Program.** Estimates for the Merit Award Program indicated that at least \$6.0 million would not be spent in FY 2006-07, allowing a \$6.0 million reduction in Merit Award Trust Fund revenue that was used to offset shortfalls in other programs funded from the Merit Award Trust Fund.

C. TRANSFERS

1. State Budget Office Letter 05-07-07

Tuition Incentive Program (TIP). In order to address an increase in TIP caseload, a transfer of \$4.0 million from unspent Merit Award appropriations to TIP was approved by the House and

Change From FY 2006-07 Initial Appropriation	
Gross	0
Restricted	90,000,000
GF/GP	(90,000,000)
Gross	(79,390,900)
Restricted	(6,000,000)
GF/GP	(73,390,900)
Gross	0
Restricted	0
GF/GP	0

**Change From FY 2006-07
Initial Appropriation**

Senate Appropriations Committees on May 23 and May 30, 2007, respectively. This transfer resulted in an FY 2006-07 year-to-date TIP appropriation of \$18.0 million, \$10.35 million from the Merit Award Trust Fund and \$7.65 million from State GF/GP funding. The \$7.65 million in GF/GP funding was subsequently supplanted by \$7.65 million from the Merit Award Trust Fund (item A.2., above).

2. State Budget Office Letter 08-23-07

Gross	0
GF/GP	0

Children of Veterans Tuition Grant Program. Pursuant to law, the primary fund source for this program is revenue from a new Michigan income tax check-off. In FY 2006-07, \$1.0 million was appropriated for the program from the contributions expected from the income tax check-off but only about \$200,000 was actually collected. In order to cover this revenue shortfall, a transfer of \$700,000 from unspent State Competitive Scholarship funding to the Veterans Program was approved by the Senate and House Appropriations Committees on August 30 and September 5, 2007, respectively. Final FY 2006-07 expenditures for this program were \$799,224, funded by \$201,134 from the State income tax check-off and \$598,090 from State GF/GP.

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	232.0	232.0
Gross	54,863,700	50,309,300
IDG	79,000	79,000
Federal	8,450,900	8,383,900
Local	0	0
Private	577,400	577,400
Restricted	2,581,200	2,580,400
GF/GP	43,175,200	38,688,600

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

This negative supplemental reduced the appropriation for Arts and Cultural Grants by \$3.6 million GF/GP from an initial appropriation of \$10,144,300 to \$6,544,300, a reduction of 35.5%.

Gross	(3,600,000)
GF/GP	(3,600,000)

B. EXECUTIVE ORDERS

Executive Order 2007-3

Executive Order 2007-3 made GF/GP reductions as follows: Management Services was reduced by \$18,900; Michigan Council for Arts and Cultural Affairs administrative funding decreased by \$62,500; Library of Michigan Operations funding was reduced by \$126,500; Information Technology Services and Projects decreased by \$7,400; and Mackinac Island Historical Facilities System was reduced by \$14,000. The Department's retirement costs were reduced by \$512,700 GF/GP due to the rebasing of the State Employees Retirement System fund, which resulted in a retirement rate reduction for the defined benefit program. Additional savings of \$144,600 GF/GP were a result of similar savings in the retirement rate for retiree health care. The retirement rate reductions were distributed to the affected line items. The retirement reductions also resulted in savings of \$67,000 of Federal funds and \$800 of restricted funds.

Gross	(954,400)
Federal	(67,000)
Restricted	(800)
GF/GP	(886,600)

C. TRANSFERS - NONE

DEPARTMENT OF HUMAN SERVICES

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	10,343.4	10,388.4
Gross	4,468,135,300	4,500,286,600
IDG	3,102,700	4,402,700
Federal	3,135,487,200	3,096,784,900
Local	55,519,400	63,042,500
Private	8,876,100	9,202,200
Restricted	67,702,000	59,217,700
GF/GP	1,197,447,900	1,267,636,600
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 7 of 2007

- a. **Donated Funds Positions.** The supplemental appropriated donated funds for additional donated funds positions to work in community agencies to assist Family Independence Program (FIP) recipients achieve self-sufficiency.
- b. **Family Independence Program.** The Act provided additional State funds savings resulting from cancelled office space leases (described in item A.1.c.). The savings were used for the projected increase in the FIP caseload.
- c. **Local Office Leases.** The supplemental included a negative appropriation reflecting the three months of savings from the cancellation of leases for two locations in the Lincoln Park and the Fullerton/Jeffries districts. The properties were vacated at the end of FY 2005-06. Section 401 of the Act prohibited the Department of Human Services (DHS) from spending funds for rental payments or operational expenses for the specified properties.

FTEs	45.0
Gross	3,653,900
Federal	1,804,700
Local	1,523,100
Private	326,100
GF/GP	0
Gross	63,000
GF/GP	63,000
Gross	(171,000)
Federal	(108,000)
GF/GP	(63,000)

2. Public Act 17 of 2007

		Change From FY 2006-07 Initial Appropriation	
a. Family Independence Program. The Act provided additional State funds for a projected increase in the FIP caseload.	Gross	65,679,500	
	GF/GP	65,679,500	
b. Foster Care Payments. The Act provided increased Federal fund authority for foster care payments to replace State funds that were eliminated by Executive Order 2007-3.	Gross	1,226,200	
	Federal GF/GP	1,226,200 0	
c. Day Care Review Project. The Act included additional funds to implement a case review pilot project in 12 counties to address day care program fraud.	Gross	450,900	
	Federal GF/GP	133,300 317,600	
d. AFC, Children's Welfare, and Day Care Adult Licensure. The Act included an increase in licensing fees to replace State funds eliminated by Executive Order 2007-3.	Gross	123,400	
	Restricted GF/GP	123,400 0	
e. Crime Victim's Rights Fund. The Act included a fund shift of an interdepartmental grant (IDG) from the Department of Community Health to replace unavailable Federal authority in the Adult and Family Services Rape Prevention and Services appropriation. The IDG grant consisted of Federal Crime Victim's Rights Fund money.	Gross	0	
	IDG Federal GF/GP	1,300,000 (1,300,000) 0	
f. SSI Advocates. The Act provided funds to replace a State fund Executive Order 2007-3 reduction for the Supplemental Security Income (SSI) Advocates program through a complex two-step fund shift. The first step was the use of additional Federal Social Security Act (SSA) Title XIX dollars to replace State funds eliminated by Executive Order 2007-3. The second step was a transfer of restricted SSI recoveries' funding authority to the Public Assistance Unit where the restricted authority could be used, resulting in a reduction of State funds' authority in that unit.	Gross	213,500	
	Federal Restricted GF/GP	213,500 (213,500) 213,500	
g. Restricted Funds Authority. The Act provided additional restricted funds authority in the Public Assistance Unit through a complex two-step fund shift (explained in item A.2.f.).	Gross	0	
	Restricted GF/GP	213,500 (213,500)	
h. State Budget Office Analyst. The Act provided funds for the salary and wages, payroll taxes, and fringe benefits of an additional Department of Management and Budget, Office of Human Services budget analyst who is responsible for DHS budget analysis.	Gross	61,700	
	Federal GF/GP	17,800 43,900	

3. Public Act 41 of 2007

		Change From FY 2006-07 Initial Appropriation	
a. Child and Family Services Adjustment. The Act provided a reduction that reflected a May 2007 Consensus agreement to an \$820-per-case reduction in Wayne County foster care cases and 720 fewer statewide adoption subsidy cases. The Act also included a fund shift to cover a shortfall in Federal revenue in the Adoption Subsidies appropriation.	Gross	(10,200,000)	
	Federal	(14,100,000)	
	GF/GP	3,900,000	
b. Child Care Fund. The Act provided a funding increase that reflected the May Consensus agreement to an increase in the Child Care Fund caseload and State funds to replace Federal funds unavailable for the appropriation.	Gross	5,000,000	
	Federal	(4,700,000)	
	GF/GP	9,700,000	
c. Family Independence Program. The Act provided funds for 2,300 additional cases and a \$13-per-case increase that was part of the May Consensus agreement. The Act also included Federal Temporary Assistance for Needy Families (TANF) funds authorization to replace unavailable Child Support collections and public assistance reimbursement funds.	Gross	25,123,400	
	Federal	9,407,700	
	Restricted	(9,407,700)	
	GF/GP	25,123,400	
d. State Disability Assistance (SDA). The Act included funds for 537 additional cases and a \$2.45-per-case increase that was part of the May Consensus agreement. The Act also provided for an increase in the SSI income recoveries restricted revenue.	Gross	2,800,000	
	Restricted	800,000	
	GF/GP	2,000,000	
e. Day Care Services. The Act provided a net funding reduction for 3,513 fewer cases but a \$13-per-case increase for the program caseload that was part of the May Consensus agreement. The Act also included reductions in State funds and Federal SSA Title XX and Child Care and Development Fund authorizations.	Gross	(16,700,000)	
	Federal	(9,900,000)	
	GF/GP	(6,800,000)	
f. State Supplementation. The Act provided a net funding reduction for 422 additional cases but a 19 cents-per-case reduction that was part of the May Consensus agreement.	Gross	(400,000)	
	GF/GP	(400,000)	
g. Emergency Services. The Act included authorization for Federal emergency funds to assist hurricanes Katrina and Rita victims living in the State. The funds were used by county offices to contract with nonprofit organizations to locate Michigan families that were affected by the storms.	Gross	500,000	
	Federal	500,000	
	GF/GP	0	
h. Information Technology. The Act provided additional Federal SSA Title IV-D funds to use for the Child Support automation system.	Gross	2,182,100	
	Federal	2,182,100	
	GF/GP	0	

- i. **Strong Families/Safe Children.** The Act included \$1,512,800 Gross, \$0 GF/GP for increased case worker visits to families at risk of out-of-home placements. A fund shift provided increased Local county revenue to cover a Federal revenue shortfall.
- j. **Early Childhood Investment Corporation.** The Act included additional Federal fund authority for grants to intermediate school districts and contracts with community nonprofit agencies for promotion of health, safety, and welfare services. These grants are focused on reducing incidents of child abuse and neglect.
- k. **Nutrition Education.** The Act included additional U.S. Food and Nutrition Service's grant funds for the State contract with Michigan State University Extension Service's nutrition education services to Food Assistance Program recipients.
- l. **Contractual Services, Supplies, and Materials.** The Act included expenditure authorization of the Federal funds share of the single audit costs.

Change From FY 2006-07 Initial Appropriation	
Gross	1,512,800
Federal	(4,487,200)
Local	6,000,000
GF/GP	0
Gross	1,700,000
Federal	1,700,000
GF/GP	0
Gross	1,914,000
Federal	1,914,000
GF/GP	0
Gross	950,000
Federal	950,000
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Legislative Initiatives.

- a. **Black Child and Family Institute.** The Executive Order contained a grant reduction of 50% of the DHS funds for children and family programs.
- b. **Community Services Block Grant.** The Executive Order eliminated funds for Earned Income Tax Credit, an education outreach project serving clients who never filed for the tax break. The project was authorized in Section 303(2) of Public Act 345 of 2006.
- c. **Crisis Prevention and Elder Law of Michigan.** The Executive Order reduced the Department funds for Michigan Coordinated Access to Food for the Elderly project, a food aid services program for the State's senior citizens, by \$35,000 Gross and GF/GP, one half of the original appropriation. The Executive Order eliminated DHS funds for crisis prevention and senior food aid projects in Kent and Muskegon Counties by \$25,000 Gross and GF/GP each, and reduced City of Lansing and Washtenaw County funding by \$125,000 Gross, \$75,000 GF/GP, 62.5% of the \$200,000 original appropriation. The authorizations for the funds were contained in Section 423(2), (3) and (4) of Public Act 345, respectively.

Gross	(50,000)
GF/GP	(50,000)
Gross	(500,000)
Federal	(500,000)
GF/GP	0
Gross	(210,000)
Federal	(50,000)
GF/GP	(160,000)

		Change From FY 2006-07 Initial Appropriation	
d. Day Care Services. The Executive Order contained a 50% reduction in the \$250,000 Gross and GF/GP appropriation for the Alliance of Boys and Girls Clubs community-based programs contract and in the \$25,000 Gross, \$0 GF/GP appropriation for the Michigan After School Partnership to leverage private and other public funds. The \$126,500 Gross, \$0 GF/GP for Grand Rapids Youth Commonwealth Program and \$250,000 Gross, \$0 GF/GP for R.E.A.D.Y. Kits were not spent, resulting in 100% savings. The funding authorizations were contained in Sections 668, 676(2), 658, and 641 of Public Act 345, respectively.	Gross	(514,000)	
	Federal	(389,000)	
	GF/GP	(125,000)	
e. Demonstration Projects. The Executive Order eliminated \$100,000 Gross and GF/GP in DHS funds for Michigan 2-1-1, a nonprofit corporation that coordinates an emergency and resource information system, authorized in Section 307 of Public Act 345. Reductions of approximately 63% or \$125,000 Gross, \$0 GF/GP for the Michigan State University Kinship Care program and approximately 31% or \$24,200 Gross, \$0 GF/GP for the Pontiac school-based crisis intervention center were contained in the Executive Order. The funding authorizations were contained in Sections 306 and 304, respectively. The Department also identified savings of \$475,000 Gross and GF/GP that were not used for testing experimental projects or programs.	Gross	(724,200)	
	Federal	(149,200)	
	GF/GP	(575,000)	
f. Domestic Violence Prevention and Treatment. The Executive Order eliminated the Department funding for Barry County programs for women and/or children in crisis situations as a result of domestic violence or abuse. The program funding authorization was contained in Section 423(1) of Public Act 345.	Gross	(75,000)	
	GF/GP	(75,000)	
g. Family Preservation and Prevention Services. The Executive Order eliminated Federal funds to Wayne County for provision of home-based programs that the county did not spend.	Gross	(2,000,000)	
	Federal	(2,000,000)	
	GF/GP	0	
h. Youth In Transition. The Executive Order eliminated an appropriated 3% rate increase for program services contracts.	Gross	(122,000)	
	GF/GP	(122,000)	
2. Legal Support Contracts. The Executive Order contained a reduction in child support legal services contract rates due to a reduction in Federal Child Support Incentive Payments to local friends of the court appropriated in Sections 905 and 906.	Gross	(2,000,000)	
	GF/GP	(2,000,000)	
3. Retirement Savings. The State Defined Benefits Retirement rate and Health Advance Subaccount Contribution reductions as applied to the Department resulted in reduced spending and achieved State funds' savings.	Gross	(33,297,000)	
	Federal	(20,434,300)	
	GF/GP	(12,862,700)	

		Change From FY 2006-07 Initial Appropriation	
4.	Foster Care Payments. The Executive Order contained a GF/GP reduction to be offset by a transfer of Federal funds authority in a supplemental, Public Act 17 of 2007.	Gross	(1,226,200)
		GF/GP	(1,226,200)
5.	Audio Video Equipment. The Executive Order contained a one-time reduction for the purchase of audio video equipment to be used by child protective services workers. The appropriation authorization for the equipment was in Section 560 of Public Act 345 of 2006.	Gross	(350,000)
		Federal	(105,000)
		GF/GP	(245,000)
6.	SSI Advocates. The Executive Order contained a 25% reduction in salaries of the staff who recover SSI State supplementation overpayments. The State funds were replaced with Federal funds contained in the supplemental, Public Act 17 of 2007.	Gross	(213,500)
		GF/GP	(213,500)
7.	AFC, Children's Welfare, and Day Care Licensure. An increase in available licensing fees replaced State funds' expenditures. A fund shift contained in a supplemental, Public Act 17 of 2007, increased the fees.	Gross	(123,400)
		GF/GP	(123,400)
8.	Family Independence Program. The Department made policy changes that resulted in State funds' savings. The changes were implemented through welfare reform three-tier sanctions, a reduction of time before negative action is applied to cases, and increased family case screenings.	Gross	(6,576,000)
		GF/GP	(6,576,000)
9.	Day Care Services. The Executive Order contained savings achieved through a day care services cases review pilot project.	Gross	(1,014,300)
		GF/GP	(1,014,300)
10.	Local Office Leases. The cancellation of leases for two locations in the Lincoln Park and the Fullerton/Jeffries districts resulted in savings. The properties were vacated at the end of FY 2005-06.	Gross	(70,000)
		Federal	(45,700)
		GF/GP	(24,300)
11.	Medical Consultation Program. The costs for disability determination services were reduced to the actual expenditures for State Disability Assistance and Federal Medicaid claims medical consultations.	Gross	(350,000)
		Federal	(108,200)
		GF/GP	(241,800)
12.	Indigent Burial. The Executive Order contained a 12.5% reduction in services.	Gross	(738,700)
		GF/GP	(738,700)
13.	Information Technology Services and Projects. The Department delayed the implementation of Bridges, an integrated cash assistance eligibility system. The DHS also implemented administrative efficiencies that achieved State fund savings of \$2,800 Gross and GF.	Gross	(3,377,800)
		Federal	(375,000)
		GF/GP	(3,002,800)

**Change From FY 2006-07
Initial Appropriation**

C. TRANSFERS

1. State Budget Office Letter 05-07-07

a. Demonstration Projects. The transfer provided \$2.0 million Gross, \$0 GF/GP for sufficient Federal expenditure authority for a Public Assistance Reporting System grant and a U.S. Department of Housing and Urban Development Rapid Re-Housing Initiative Project.	Gross	0
	GF/GP	0
b. Salaries and Wages. The transfer provided \$500,000 Gross, \$200,300 GF/GP to support the five full-time executive employees included in the appropriation.	Gross	0
	GF/GP	0
c. Medical/Psychiatric Evaluations. The transfer provided \$1.7 million Gross, \$700,000 GF/GP to cover an increase in the number of disability medical evaluations.	Gross	0
	GF/GP	0
d. Income Support Policy and Administration. The transfer provided \$950,000 Gross, \$0 GF/GP available to correct Federal fund source spending authority.	Gross	0
	GF/GP	0
e. Training and Program Support. The transfer provided \$950,000 Gross and GF/GP available to correct State fund source spending authority.	Gross	0
	GF/GP	0
f. Medium Security Juvenile Services. The transfer provided \$3,519,900 Gross, \$2,092,800 GF/GP to cover increased costs of State facilities' services.	Gross	0
	GF/GP	0
g. County Juvenile Officers. The transfer provided \$120,000 Gross and GF/GP to cover the cost of additional officers in Livingston and Monroe Counties.	Gross	0
	GF/GP	0
h. Wage Employment Verification Reporting. The transfer provided \$239,900 Gross, \$60,200 GF/GP to cover an increase in the number of employment verification matches.	Gross	0
	GF/GP	0

2. State Budget Office Letter 08-10-07

a. High-Security Juvenile Services. The transfer provided \$5,000 Gross and GF/GP to cover the one-month cost of a clinical social worker position at the W.J. Maxey Boys Training School to work with youths suffering from severe personality disorders.	Gross	0
	GF/GP	0
b. Medium-Security Juvenile Services. The transfer provided \$50,000 Gross and GF/GP to cover the one-month cost of nine employees critical to providing direct care, social services, and medical services to youths in State custody.	Gross	0
	GF/GP	0

		Change From FY 2006-07 Initial Appropriation	
c. Contractual Services, Supplies, and Materials. The transfer provided \$1.0 million Gross, \$600,000 GF/GP for a shortfall that resulted from unexpected and unbudgeted legal costs related to the Children's Rights lawsuit filed against the State.		Gross	0
		GF/GP	0
3. State Budget Office Letter 09-17-07			
a. Budgetary Savings. The Department budget included \$1.0 million Gross and GF/GP in a negative appropriation to be offset by reduced spending in DHS operations and programs. The transfer fulfilled the obligation by reducing State spending in the Food Stamp Reinvestment line.		Gross	0
		GF/GP	0
b. Contractual Services, Supplies, and Materials. The transfer provided \$1.0 million Gross, \$600,000 GF/GP for increased expenditures as a result of United States Postal Service regulation changes.		Gross	0
		GF/GP	0
c. State Office of Administrative Hearings and Rules. The transfer provided \$80,000 Gross and GF/GP for billings from the Department of Labor and Economic Growth hearings. The increase in hearings was a result of FIP caseload increases and timeliness requirements for hearings.		Gross	0
		GF/GP	0
d. High-Security Juvenile Services. The transfer provided \$500,000 Gross and GF/GP for W.J. Maxey Boys Training School's increased medical costs as a result of U.S. Department of Justice mandates.		Gross	0
		GF/GP	0
e. Medium-Security Juvenile Services. The transfer provided \$700,000 Gross and GF/GP for unbudgeted increased health-related expenditures at Adrian Training School and Shawano Center.		Gross	0
		GF/GP	0
f. Foster Care Payments. The transfer adjusted \$4.0 million Gross and GF/GP in authorized expenditures between this account and Wayne County Foster Care Payments to reflect accurate expenditure levels.		Gross	0
		GF/GP	0
g. Child Care Fund. The transfer provided \$4.4 million Gross and GF/GP for increased caseload expenditures.		Gross	0
		GF/GP	0
4. State Budget Office Letter 11-01-07			
a. State Office of Administrative Hearings and Rules. The transfer provided \$480,000 Gross and GF/GP to cover a shortfall in Federal revenue.		Gross	0
		GF/GP	0

- b. Electronic Benefits Transfer.** The transfer provided \$517,000 Gross and GF/GP to cover a shortfall in Federal revenue.
- c. Contractual Services, Supplies, and Materials.** The transfer provided \$287,000 Gross and GF/GP to cover a shortfall in Federal revenue.
- d. Juvenile Justice Field Staff, Administration, and Maintenance.** The transfer provided \$1.5 million Gross and GF/GP to cover a shortfall in a Substance Abuse Treatment grant and other private revenue that was budgeted and not received.
- e. Child Care Fund.** The transfer provided \$5.7 million Gross and GF/GP to cover an unanticipated increase in one-half of Wayne County expenditures for out-of-home placement of county youths.

Change From FY 2006-07 Initial Appropriation	
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0

DEPARTMENT OF INFORMATION TECHNOLOGY

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	1,776.4	1,776.4
Gross	378,222,000	374,846,400
IDG	378,222,000	374,846,400
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	0	0

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 41 of 2007

The supplemental appropriation added \$5.5 million to the Department of Information Technology budget from the Department of State Police as part of that Department's ongoing effort to more precisely identify information technology expenditures.

Gross	5,546,200
IDG	5,546,200
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order included \$5.8 million in retirement adjustments, as well as a \$47,000 reduction in Enterprisewide services, a reduction of \$75,000 for the Michigan Administrative Information Network (MAIN), and a reduction of \$3.0 million for delaying information technology projects in the Department of Human Services.

Gross	(8,921,800)
IDG	(8,921,800)
GF/GP	0

C. TRANSFERS - NONE

JUDICIARY

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	509.0	509.0
Gross	259,428,100	258,327,600
IDG	2,563,500	2,563,500
Federal	4,626,400	6,126,400
Local	3,612,400	4,426,000
Private	842,500	842,500
Restricted	87,178,500	87,868,000
GF/GP	160,604,800	156,501,200
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

This negative supplemental included retirement adjustments totaling \$1.2 million (\$1,156,500 GF/GP and \$86,900 restricted) and GF/GP reductions to the following line items: Supreme Court administration (\$521,700), Judicial Institute (\$105,100), State Court Administrative Office (\$287,000), Judicial information systems (\$124,700), Foster Care Review Board (\$35,500), Drug treatment courts (\$34,000), Court of Appeals operations (\$845,000), Judicial Tenure Commission (\$40,900), Appellate Public Defender program (\$176,600), Appellate Assigned Counsel administration (\$31,100) and Court Equity Fund reimbursements (\$745,500).

Gross	(4,190,500)
Local	(76,400)
Restricted	(10,500)
GF/GP	(4,103,600)

2. Public Act 41 of 2007

This supplemental included a \$1.5 million increase in Federal funds for Judicial information systems, an increase of \$890,000 in Local user fees for direct trial automation support, and an increase of \$700,000 in restricted funds to more accurately reflect revenue from the drunk driving fund.

Gross	3,090,000
Federal	1,500,000
Local	890,000
Restricted	700,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. TRANSFERS - NONE

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	4,238.5	4,238.5
Gross	1,231,476,800	1,294,797,600
IDG	23,485,800	23,039,800
Federal	795,345,800	840,602,300
Local	15,824,300	15,793,900
Private	2,314,300	2,314,300
Restricted	347,069,300	367,071,800
GF/GP	47,436,700	45,975,500
Change From FY 2006-07 Initial Appropriation		

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 7 of 2007

- a. **Job Training Program Subgrantees.** This supplemental provided expenditure authorization to permit the use of an additional \$35.0 million in Federal Workforce Investment Act funding.
- b. **Office of Workforce Development.** This supplemental provided the Office of Workforce Development with an additional \$8.4 million in Federal funding to assist workers displaced by foreign trade. The funding consisted of \$6.4 million from Trade Adjustment Assistance and \$2.0 million from the Workforce Investment Act.
- c. **Low-Income Energy Efficiency Assistance.** This supplemental provided authorization to spend an additional \$22.0 million from the Low-Income Energy Efficiency Assistance Fund that was available due to a Public Service Commission decision regarding electricity rates charged by Detroit Edison and Consumers Energy. Boilerplate language directed the funds to the Department of Human Services for low-income energy assistance programs.

Gross	35,000,000
Federal	35,000,000
GF/GP	0
Gross	8,400,000
Federal	8,400,000
GF/GP	0
Gross	22,000,000
Restricted	22,000,000
GF/GP	0

**Change From FY 2006-07
Initial Appropriation**

2. Public Act 17 of 2007

- | | | |
|--|------------|------------|
| <p>a. Welfare-to-Work. The supplemental completed a fund shift between Federal fund sources that was initiated in Executive Order 2007-3. The supplemental provided \$10.0 million in Workforce Investment Act funds for Welfare-to-Work, replacing a \$10.0 million reduction in Federal Temporary Assistance to Needy Families (TANF) funding. The fund shift permitted the use of the TANF revenue in the Department of Human Services budget.</p> | Gross | 10,000,000 |
| | Federal | 10,000,000 |
| | GF/GP | 0 |
| | | |
| <p>b. Fire Protection Grants. The supplemental completed a fund shift initiated in Executive Order 2007-3. The supplemental appropriated \$1.0 million from the Fire Protection Fund to replace a \$1.0 million GF/GP reduction included in the Executive Order.</p> | Gross | 1,000,000 |
| | Restricted | 1,000,000 |
| | GF/GP | 0 |
| | | |
| <p>c. Budgetary Reductions. The supplemental reduced the level of expenditures in several programs. The Liquor Control Commission had reductions of \$31,000 in Management support services and \$119,000 in Liquor Licensing and Enforcement. This reduced the use of the Liquor Purchase Revolving Fund by \$150,000, which lapsed to the General Fund. Similarly, the Bureau of Workers and Unemployment Compensation appropriation for the Supplemental Benefit Fund was reduced by \$300,000, saving \$150,000 from Securities Fees and \$150,000 from Corporation Fees. Unused corporation and securities fees lapse to the General Fund at year-end.</p> | Gross | (450,000) |
| | Restricted | (450,000) |
| | GF/GP | 0 |

3. Public Act 41 of 2007

- | | | |
|---|------------|------------|
| <p>a. Public Service Commission. Increased expenditure authority was provided for Administration, Planning and Development to reflect costs and revenue related to implementation of video franchise regulation under the Uniform Video Services Local Franchise Act, Public Act 480 of 2006. The supplemental also included language that created the Video Franchise Assessment Fund and permitted the balance of the Fund to carry forward.</p> | Gross | 600,000 |
| | Restricted | 600,000 |
| | GF/GP | 0 |
| | | |
| <p>b. Job Training Programs Subgrantees. The supplemental increased expenditure authority by \$10.0 million to permit the use of additional Federal Workforce Investment Act funds.</p> | Gross | 10,000,000 |
| | Federal | 10,000,000 |
| | GF/GP | 0 |
| | | |
| <p>c. Office of Financial and Insurance Services. The supplemental increased restricted funding for two programs within Policy Conduct and Consumer Assistance. It provided \$300,000 for implementation of the Money Transmission Services Act, Public Act 250 of 2006, which is to fight money laundering, and \$573,700 to continue implementation of the</p> | Gross | 873,700 |
| | Restricted | 873,700 |
| | GF/GP | 0 |

**Change From FY 2006-07
Initial Appropriation**

Deferred Presentment Service Transactions Act, Public Act 244 of 2005, which regulates payday lending.

4. Public Act 142 of 2007

Newsline for the Blind. The supplemental provided \$46,000 in restricted funding to the Commission for the Blind for a contract with Newsline, a news-reading service operated by the National Federation of the Blind for people unable to read regular newsprint. The revenue came from the Newsline for the Blind Fund, which was created by Public Act 180 of 2006 to receive a portion of the proceeds from the sale of the site of the former State School for the Blind, up to \$50,000 or 5.0%, whichever was less.

Gross	46,000
Restricted	46,000
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Fire Protection Grants Fund Shift. Executive Order 2007-3 implemented the first part of a fund shift that changed the revenue used to pay fire protection grants to local units of government. The appropriation was reduced by \$1.0 million GF/GP, which subsequently was replaced in Public Act 17 of 2007 by \$1.0 million of available revenue in the Fire Protection Fund. The Fire Protection Fund is funded by driver responsibility fees.

Gross	(1,000,000)
GF/GP	(1,000,000)

2. Welfare-to-Work Fund Shift. The Executive Order reduced the Welfare-to-Work grant line by \$10.0 million GF/GP in the first action of a fund shift. The appropriation was restored in Public Act 17 of 2007, which authorized an additional \$10.0 million of Federal Workforce Investment Act revenue.

Gross	(10,000,000)
Federal	(10,000,000)
GF/GP	0

3. Commercial Services. The Executive Order reduced funding for the Bureau of Commercial Services by reducing the use of corporation fees by \$660,000. Corporation fee revenue that is not spent during the year lapses to the General Fund.

Gross	(660,000)
Restricted	(660,000)
GF/GP	0

4. Retirement Savings. The Department's retirement costs were reduced by the rebasing of the State Employees Retirement System Fund, which resulted in a retirement rate reduction for the defined benefit program. Additional savings were realized from similar adjustments in the retirement rate for retiree health care. The retirement rate reductions were distributed to the affected line items.

Gross	(12,488,300)
IDG	(446,000)
Federal	(6,343,500)
Local	(30,400)
Restricted	(5,207,200)
GF/GP	(461,200)

**Change From FY 2006-07
Initial Appropriation**

C. TRANSFERS

1. State Budget Office Letter 05-07-07

a. Occupational Safety and Health. This legislative transfer provided \$200,000 in additional funding from the Safety Education and Training Fund to pay for office renovations. Unused Federal expenditure authority for the Department of Labor and Economic Growth, multiple grants for safety and health, was reduced by a like amount.	Gross	0
	Federal	(200,000)
	Restricted	200,000
	GF/GP	0
b. Public Service Commission. This administrative transfer changed the fund sources for the Public Service Commission's Administration, Planning and Regulation line. Expenditure authority for public utility assessments was increased by \$1.0 million to replace motor carrier fees that were not available due to a change in the Federal law relating to the Unified Carrier Registration System.	Gross	0
	GF/GP	0
c. Fire Safety Program Funding. This transfer redirected \$31,500 in expenditure authority from the interdepartmental grant (IDG) from the Department of State Police, homeland security, to the IDG from the Department of Community Health, inspection contract, to align expenditure authority with charges and funds available.	Gross	0
	GF/GP	0
d. Office of Finance and Insurance Services. This transfer increased the use of securities fees in the line for Policy Conduct and Consumer Assistance by \$620,000 and reduced the use of insurance regulatory fees by a like amount. This adjustment aligned the revenue sources with the expenditure functions of the office.	Gross	0
	GF/GP	0
e. Information Technology. This transfer adjusted the Information Technology line fund sources to reflect the costs incurred by different areas within the Department. The transfer increased charges to the Michigan State Housing Development Authority (MSHDA) by \$575,000 and reduced charges to the Liquor Purchase Revolving Fund by the same amount.	Gross	0
	GF/GP	0
f. Rent. This transfer increased expenditure authority for MSHDA fees and charges by \$360,000 to assess anticipated rent charges against the proper fund source. The use of the Liquor Purchase Revolving Fund was reduced by \$200,000 and the use of insurance licensing and regulation fees was reduced by \$160,000.	Gross	0
	GF/GP	0
g. Office of Financial and Insurance Services. This transfer shifted expenditure authority to align charges for Attorney General legal services with the appropriate fund source. The use of consumer finance fees was increased by \$355,000 and the use of securities fees was increased by \$95,000, balanced by a reduction of \$450,000 in insurance regulatory fees.	Gross	0
	GF/GP	0

		Change From FY 2006-07 Initial Appropriation	
h. Fire Fighters Training Council. This transfer increased the use of U.S. Department of Transportation funds by \$1,000 to permit these funds to be used fully. Unused expenditure authority for Federal Emergency Management Agency funding was reduced by an equal amount.		Gross	0
		GF/GP	0
2. State Budget Office Letter 06-12-07		Gross	0
Michigan State Housing Development Authority. This transfer increased restricted spending authority to cover costs of computer system improvements. Unused expenditure authority from Federal pass-through funds was reduced by an equal amount.		Federal	(1,600,000)
		Restricted	1,600,000
		GF/GP	0
3. State Budget Office Letter 09-13-07			
a. Rent. This administrative transfer provided \$190,000 in corporation fees for the departmental rent line. Corresponding reductions of \$90,000 in the Liquor Purchase Revolving Fund and \$100,000 in insurance licensing and regulation fees were made, reflecting adjustments made to assess rent charge to the appropriate fund source.		Gross	0
		GF/GP	0
b. Information Technology. This transfer provided an additional \$400,000 in corporation fees to pay expenses related to the corporation database system rewrite for the Bureau of Commercial Services. Unused expenditure authority for the Liquor Purchase Revolving Fund was reduced by \$400,000.		Gross	0
		GF/GP	0
4. State Budget Office Letter 09-17-07		Gross	0
Employment Services. This legislative transfer provided \$5,700 from the Contingent fund, penalty and interest account to the Employment Services line to support the cost of administering workforce programs. The transfer reduced authorization for the Worker's Compensation administration by \$5,700.		GF/GP	0
5. State Budget Office Letter 10-26-07		Gross	0
Commercial Services. This administrative transfer adjusted fund sources for the Commercial Services line item to reflect expenditures by program. Authorization for expenditures from the Homeowner Construction Lien Recovery Fund was increased by \$195,000, Security Business Fund was reduced by \$95,000, and Michigan Boxing Fund was reduced by \$100,000.		GF/GP	0

LEGISLATIVE AUDITOR GENERAL

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	N/A	N/A
Gross	16,347,500	15,107,100
IDG	1,801,500	1,801,500
Federal	0	0
Local	0	0
Private	0	0
Restricted	1,539,900	1,539,900
GF/GP	13,006,100	11,765,700

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

The supplemental reduced expenditures by \$590,100 for savings related to retirement contributions made by the Auditor General's Office. An additional reduction of \$650,300 was made in the Field Operations line in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(1,240,400)
GF/GP	(1,240,400)

B. EXECUTIVE ORDERS - NONE

C. TRANSFERS - NONE

LEGISLATURE

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	N/A	N/A
Gross	116,576,400	111,282,500
IDG	0	0
Federal	0	0
Local	0	0
Private	400,000	400,000
Restricted	1,109,800	1,109,800
GF/GP	115,066,600	109,772,700

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 17 of 2007

The supplemental reduced expenditures by \$1,439,400 for savings related to retirement contributions on behalf of legislative employees. An additional reduction of \$3,854,500 was made in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(5,293,900)
GF/GP	(5,293,900)

B. EXECUTIVE ORDERS - NONE

C. TRANSFERS - NONE

DEPARTMENT OF MANAGEMENT AND BUDGET

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	752.0	752.0
Gross	476,142,000	472,302,400
IDG	155,293,500	154,318,200
Federal	0	0
Local	0	0
Private	0	0
Restricted	52,438,900	51,718,300
GF/GP	268,409,600	266,265,900
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	752.0	752.0
Gross	476,142,000	472,302,400
IDG	155,293,500	154,318,200
Federal	0	0
Local	0	0
Private	0	0
Restricted	52,438,900	51,718,300
GF/GP	268,409,600	266,265,900

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

The supplemental made reductions in the Administrative Services line of \$25,000, the Office of the State Employer line of \$60,000, the Business Support Services line of \$65,000, and in the Information Technology line of \$400,000, all GF/GP dollars. These reductions were necessary to reduce the overall GF/GP budget deficit for FY 2006-07. In addition, an increase of \$61,700 in an interdepartmental grant from the Michigan Department of Human Services was offset by a corresponding reduction in GF/GP spending in Executive Order 2007-3.

Gross	(488,300)
IDG	61,700
GF/GP	(550,000)

2. Public Act 41 of 2007

a. GF/GP Increase. The supplemental provided a \$15.2 million GF/GP funding increase for debt service payments on State Building Authority (SBA) bonds. This GF/GP funding increase was used to offset the \$15.2 million of debt service payments that were used to reimburse the Federal government for funds owed by the State due to a transfer of funds from the Health Advance Funding Subaccount in the State Employees Retirement System (SERS).

Gross	15,200,000
GF/GP	15,200,000

**Change From FY 2006-07
Initial Appropriation**

- b. Boilerplate.** The supplemental also contained language to allow restricted funds not lapsing to the General Fund to be returned to the departments from which they came, in order to reimburse those departments for the non-GF/GP portions of the payments made to the Health Advance Funding Subaccount in SERS.

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Department by \$2,628,800 for savings related to retirement contributions made by the Department. Additional administrative reductions were made in the following line items: \$17,500 in Executive Operations; \$25,000 in Administrative Services; \$72,500 in Business Support Services; \$61,700 in Budget and Financial Management; \$8,794,900 in SBA rent for the Department of Corrections; \$6,875,100 in SBA rent for Universities; and \$75,800 in Information Technology. These reductions were necessary in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(18,551,300)
IDG	(1,037,000)
Restricted	(720,600)
GF/GP	(16,793,700)

C. TRANSFERS

1. State Budget Office Letter 05-16-07

This administrative transfer between the SBA rent line for Corrections (a negative \$1,876,000) and the SBA rent line for Community Colleges (a positive \$1,876,000) provided for cost variances due to fewer-than-anticipated lease cancellations from SBA refunding related to previously constructed community college projects.

Gross	0
GF/GP	0

2. State Budget Office Letter 09-01-07

This legislative transfer provided funding for the Department to pay for one-time and emergency maintenance expenses (roof repairs) at the Michigan State Fair fairgrounds. Michigan State Fair expenditures are paid with annual Fair revenue as well as non-Fair revenue from activities on the fairgrounds throughout the year. The Michigan State Fair had insufficient revenue to cover these costs due to reductions in non-Fair revenue.

Gross	0
GF/GP	0

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	1,015.0	1,015.0
Gross	122,902,600	123,762,000
IDG	1,664,600	1,664,600
Federal	51,450,700	53,307,800
Local	1,253,100	1,253,100
Private	1,441,300	1,441,300
Restricted	26,452,700	26,796,000
GF/GP	40,640,200	39,299,200

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07
Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

Additional Restricted Revenue for State Veterans Homes. Public Act 17 provided authority to spend additional realized restricted revenue from resident income and assessments for the D.J. Jacobetti Home for Veterans to help offset GF/GP reductions from Executive Order 2007-3 (described below).

Gross	134,500
Restricted	134,500
GF/GP	0

2. Public Act 41 of 2007

a. Additional Support for Veterans Homes. Public Act 41 provided additional operational support of \$2,533,900 for the Grand Rapids Home for Veterans (\$2,140,300 Federal, \$393,600 Restricted) and additional Federal support for the D.J. Jacobetti Home for Veterans (\$180,000).

Gross	2,713,900
Federal	2,320,300
Restricted	393,600
GF/GP	0

b. Regional Training Institute. Public Act 41 provided initial funding for the operational costs of a new National Guard regional training facility in Battle Creek.

Gross	450,000
Restricted	350,000
GF/GP	100,000

- c. **Starbase Grant.** Public Act 41 provided additional funds made available for the federally-funded Starbase program, designed to encourage the interest of at-risk school children in math and science.

Change From FY 2006-07 Initial Appropriation	
Gross	707,000
Federal	707,000
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. **Retirement Savings.** Executive Order 2007-3 reduced retirement costs by the rebasing of the State Employees Retirement System Fund, which resulted in a retirement rate reduction for the defined benefit program. Additional savings were realized from similar adjustments to the retirement rate for retiree health care. The retirement rate reductions were distributed to the affected line items.
2. **Information Technology Services and Projects.** Executive Order 2007-3 provided for a reduction in the Department of Military and Veterans Affairs share of informational technology costs due to administrative savings.
3. **Reductions to Veterans Homes.** Executive Order 2007-3 provided for a reduction in the operating budgets for the Grand Rapids Veterans Home (\$185,000) and the D.J. Jacobetti Veterans Home (\$134,500).
4. **Headquarters and Armories.** Executive Order 2007-3 reduced appropriations and eliminated four funded (but vacant) mechanical maintenance positions.

Gross	(2,675,900)
Federal	(1,170,200)
Restricted	(534,800)
GF/GP	(970,900)
Gross	(600)
GF/GP	(600)
Gross	(319,500)
GF/GP	(319,500)
Gross	(150,000)
GF/GP	(150,000)

C. TRANSFERS

1. State Budget Office Letter 05-07-07

- a. **Higher Fuel and Maintenance Costs.** The transfer shifted \$600,000 in available Federal fund authorization from Special Maintenance-Federal to Headquarters and Armories to help pay for higher-than-anticipated operational costs.
- b. **Military Salaries and Retirement.** The transfer moved \$150,000 in available GF/GP fund authorization from Military Training Sites and Support Facilities to fund additional costs of military retirement (\$120,000) and salaries (\$30,000).

Gross	0
GF/GP	0
Gross	0
GF/GP	0

2. State Budget Office Letter 09-17-07

- a. **Higher Departmentwide Operational Costs.** The transfer moved available Federal funding of \$200,000 from Special Maintenance-Federal to Military Training Sites and Support Facilities to cover higher-than-anticipated departmental operational costs, including private security contracts.
- b. **Telecommunication and Other Costs.** The transfer shifted \$250,000 in available National Guard Bureau fund authorization from Departmentwide Accounts to Headquarters and Armories to pay for higher-than-anticipated telecommunication and other operational costs for FY 2006-07.
- c. **Starbase Program.** The transfer moved \$164,000 in available National Guard Bureau funds from Departmentwide Accounts to the Starbase program to assist in the purchase of computer software and for operating costs.
- d. **Military Salaries and Retirement.** The transfer moved \$75,000 in available GF/GP fund authorization from Military Training Sites and Support Facilities to fund additional costs of military retirement (\$60,000) and salaries (\$15,000).

Change From FY 2006-07 Initial Appropriation		
Gross		0
GF/GP		0
Gross		0
GF/GP		0
Gross		0
GF/GP		0
Gross		0
GF/GP		0

DEPARTMENT OF NATURAL RESOURCES

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	2,086.4	2,086.4
Gross	288,313,200	290,729,100
IDG	3,765,900	3,618,900
Federal	42,964,300	42,574,200
Local	0	0
Private	3,125,100	3,124,400
Restricted	213,188,300	209,621,900
GF/GP	25,269,600	31,789,700
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 344 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

General Fund Reductions. In order to meet reduced General Fund revenue estimates and as a part of the resolution of the FY 2006-07 budget, appropriations were reduced in a number of program areas of the budget. Affected programs were administration, central operations, wildlife management, forest trails and campgrounds, services to private forest owners, and information technology.

Gross	(510,000)
GF/GP	(510,000)

2. Public Act 41 of 2007

a. Deer Habitat. Funding was appropriated from the Deer Range Improvement Fund for additional deer habitat projects.

Gross	300,000
Restricted	300,000
GF/GP	0

b. Forest Fire Protection. Funding from the Federal Emergency Management Agency was appropriated to establish a system to issue burn permits over the Internet.

Gross	278,000
Federal	278,000
GF/GP	0

c. Off-Road Vehicles. Additional funding was appropriated for the maintenance and development of trails for off-road vehicle recreation and enforcement of ORV laws. Of the total amount, \$250,000 was appropriated for trail development, \$50,000 was provided for law enforcement activities, and \$55,000 for additional grants to local organizations to complete ORV trail projects, in accordance with the statutory formula for distribution of revenue in the Off-Road Vehicle Trail Improvement Fund.

d. Forestland Use. Funding from Forestland user charges was appropriated to allow for additional expenditures to process and monitor land use applications.

Change From FY 2006-07 Initial Appropriation	
Gross	355,000
Restricted	355,000
GF/GP	0
Gross	225,000
Restricted	225,000
GF/GP	0

3. Public Act 142 of 2007

Sleeper Lake Fire. A wildfire burned over 18,000 acres in the Upper Peninsula in August 2007. Due to the size of the fire and its rapid spread, the initial appropriation for forest fire protection was insufficient to cover the costs of controlling and suppressing this fire. Additional appropriations were enacted to reimburse the many states and organizations that provided crews and equipment.

Gross	7,500,000
GF/GP	7,500,000

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Retirement and Health Advance Account Savings

Budget savings were achieved through the reduction of defined benefit contributions to the State Employees' Retirement System due to a re-valuation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities. Savings also were realized by the transfer of funds from the Health Advance Funding Subaccount to the Accumulation Fund within the system to pay a portion of the pension costs, which reduced the required contribution payments. A portion of the savings was used to refund Federal dollars used in previous years to support the system.

Gross	(5,730,700)
IDG	(147,000)
Federal	(668,100)
Private	(700)
Restricted	(4,446,400)
GF/GP	(468,500)

2. Information Technology Reduction

A General Fund reduction for the Department of Information Technology was allocated across all State departments in the specific budget units supporting information technology services. This reduction is the portion applied to the Department of Natural Resources.

Gross	(1,400)
GF/GP	(1,400)

**Change From FY 2006-07
Initial Appropriation**

C. TRANSFERS

1. State Budget Office Letter 05-07-07

a. Clean Vessel Act Grants. A transfer of \$100,000 was approved to increase the authorization for grants for marinas to purchase pump-out equipment. These are pass-through funds from the Federal government.	Gross	0
	Federal	0
	GF/GP	0
b. Forest Legacy Program. A transfer of \$165,000 in Federal funding was approved to allow for additional expenditures from the Forest Legacy, Forest Stewardship, and Urban Forestry programs to provide forest planning assistance to private forestland owners.	Gross	0
	Federal	0
	GF/GP	0
c. Conservation Easements. A transfer of \$1,690,000 in Federal funding was approved to provide more authorization for Forest Stewardship grants. Additional Federal funding became available for the purchase of conservation easements on the former Kamehameha site in the Upper Peninsula.	Gross	0
	Federal	0
	GF/GP	0
d. Fire Assistance. The transfer of \$400,000 in Federal funding into the Forest fire protection line item allowed additional Federal funds from the State Fire Assistance national plan to be used for radios to communicate with local fire departments. A portion of the transfer amount also allowed the State to receive additional funds from the Federal government as repayment for providing assistance on out-of-state fires.	Gross	0
	Federal	0
	GF/GP	0
e. Hunter Education. The transfer of \$150,000 in Federal funding into law enforcement was used to support the hunter education program with hunter safety manuals, instructive materials, and instructor training.	Gross	0
	Federal	0
	GF/GP	0
f. Fisheries Fund Shift. A transfer of \$300,000 was approved to align Federal and State restricted funds with their appropriate uses in the Fisheries Division.	Gross	0
	Federal	0
	Restricted	0
	GF/GP	0

2. State Budget Office Letter 08-08-07

Forest Fire-Fighting. Dry conditions over the summer resulted in increased demand statewide for forest fire-fighting activities and overtime costs. This transfer moved \$600,000 GF/GP into forest fire protection to support forest firefighters.	Gross	0
	GF/GP	0

3. State Budget Office Letter 11-01-07

Conservation Easements. A transfer of \$90,000 in Federal funding was approved to provide more authorization for Forest Stewardship grants. Additional Federal funding became available for the purchase of conservation easements on the former Kamehameha site in the Upper Peninsula. This transfer supplements a similar transfer included in the State Budget Office Letter of 05-07-07.

Change From FY 2006-07 Initial Appropriation	
Gross	0
Federal	0
GF/GP	0

NATURAL RESOURCES TRUST FUND

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The appropriations for the Michigan Natural Resources Trust Fund projects for FY 2006-07 are contained in Public Act 59 of 2007.

FTE	0.0	0.0
Gross	36,148,100	36,148,100
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	36,148,100	36,148,100
GF/GP	0	0

Change From FY 2006-07 Initial Appropriation

A. INITIAL APPROPRIATIONS

Public Act 59 of 2007

Article IX, Section 35 of the Michigan Constitution specifies that expenditures from the Michigan Natural Resources Trust Fund must be divided such that not more than 25% is for development projects and not less than 25% is for acquisition projects. The appropriation from the Fund provided funding for 34 acquisition projects and 27 development projects, in accordance with constitutional requirements.

Gross	36,148,100
Restricted	36,148,100
GF/GP	0

B. SUPPLEMENTAL APPROPRIATIONS - NONE

C. EXECUTIVE ORDERS - NONE

D. TRANSFERS - NONE

SCHOOL AID

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	0.0	0.0
Gross	13,093,745,100	13,008,200,100
IDG	0	0
Federal	1,411,236,900	1,411,236,900
Local	0	0
Private	0	0
Restricted	11,647,508,200	11,561,963,200
GF/GP	35,000,000	35,000,000
<hr/>		
	Change From FY 2006-07 Initial Appropriation	

The initial appropriation was contained in Public Act 342 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 6 of 2007

Retirement Rate Savings. Public Act 6 contained numerous changes to the School Aid budget, in order to address the revenue shortfall. The legislation contained a mechanism for a fund shift of \$262.0 million from the School Aid Fund to the Michigan Public School Employees' Retirement System Reserve. This level of savings was achieved by realizing the true value of assets in the system as of September 30, 2006, rather than relying on the five-year smoothed value.

Debt Restructuring, Cost Adjustments, and Program Eliminations. The Act included savings from refinancing debt service in the School Loan Revolving Fund (\$5.5 million) and current-year savings from delaying payments on *Durant* bonds (more than \$34.8 million). Due to fewer pupils and lower special education costs than budgeted, savings of nearly \$21.3 million and \$20.0 million, respectively, were realized. Also, 10 categorical programs new in FY 2006-07 were eliminated, totaling almost \$5.0 million. Finally, payments in lieu of taxes were increased by \$1.0 million.

Gross	(85,545,000)
Restricted	(85,545,000)
GF/GP	0

B. EXECUTIVE ORDERS - NONE

**Change From FY 2006-07
Initial Appropriation**

C. TRANSFERS

1. State Budget Office Letter 11-01-07

Special Education Section 53a and Proposal A Obligation Payment. Transfers of \$245,000 into Special Education Section 53a and slightly more than \$6.3 million into Proposal A Obligation Payment were necessary in order to fully fund added costs and foundation allowance payments, which were estimated based on data received after the fiscal year ended. Funding for these transfers was available in a number of line items, most notably Renaissance Zones which transferred out more than \$3.7 million, and School Breakfast which transferred out just over \$1.0 million, available because payments were lower than estimated.

Gross	0
GF/GP	0

2. State Budget Office Letter 11-26-07

Special Education Section 53a. A transfer of \$150,000 from Special Education *Headlee* Obligations into Special Education Section 53a was necessary to fully fund the added costs anticipated to be incurred in Section 53a (special education court-placed pupils). Funds were available in the *Headlee* Obligation program due to lower-than-anticipated costs.

Gross	0
GF/GP	0

DEPARTMENT OF STATE

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	1,853.8	1,853.8
Gross	204,793,500	198,783,000
IDG	20,000,000	20,000,000
Federal	3,052,100	3,192,100
Local	0	0
Private	100	100
Restricted	162,608,600	157,832,200
GF/GP	19,132,700	17,758,600

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

The supplemental made GF/GP reductions in the Department Services Operations line of \$26,600; the Regulatory Services Operations line of \$48,800; the Branch Operations line of \$540,900; and the Central Operations line of \$141,600. These reductions were necessary to reduce the overall GF/GP budget deficit for FY 2006-07.

Gross	(757,900)
GF/GP	(757,900)

2. Public Act 41 of 2007

The supplemental appropriated an additional \$80,000 in Federal funding to the Motorcycle Safety Education Grants line item and \$60,000 to the Regulatory Services Operations line for Driver Education Training Workshops. These funds were appropriated from revenue that became available after the initial appropriation.

Gross	140,000
Federal	140,000
GF/GP	0

**Change From FY 2006-07
Initial Appropriation**

B. EXECUTIVE ORDERS

Executive Order 2007-3

The Executive Order reduced expenditures for the Department by \$5,390,200 for savings related to retirement contributions made by the Department. An additional administrative reduction of \$2,400 was made in the Information Technology line item. These reductions were necessary in order to reduce the overall GF/GP shortfall for FY 2006-07.

Gross	(5,392,600)
Restricted	(4,776,400)
GF/GP	(616,200)

C. TRANSFERS

State Budget Office Letter 05-07-07

This legislative transfer adjusted authorizations to reflect accurately actual costs in the Fees to Local Units line item. Authorization was available in the Elections Administration and Services line item due to efficiencies in operations. This transfer was necessary to reimburse local clerks fully for costs associated with training deputy registrars and processing voter registration applications.

Gross	0
GF/GP	0

DEPARTMENT OF STATE POLICE

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	2,900.0	2,900.0
Gross	569,288,500	566,481,600
IDG	22,642,400	25,150,500
Federal	169,305,000	169,341,200
Local	8,088,900	8,460,600
Private	80,300	480,300
Restricted	119,873,200	119,862,000
GF/GP	249,298,700	243,187,000

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 7 of 2007

Prevention of Trooper Layoffs. Public Act 7 provided sufficient private funds donated by the Michigan State Police Troopers Association to keep the administration from going through with a proposed plan to lay off 29.0 troopers early in May 2007. This additional appropriation was to keep funding at a level to ensure there would be no need for layoffs due to lack of funds until the end of June 2007.

Gross	400,000
Private	400,000
GF/GP	0

2. Public Act 17 of 2007

Prevention of Trooper Layoffs. Public Act 17 provided additional support (GF/GP funds) beyond what had been included in Public Act 7 (above) to ensure that there would be sufficient funding to prevent any trooper layoffs for the entire FY 2006-07.

Gross	1,200,000
GF/GP	1,200,000

3. Public Act 41 of 2007

a. Auto Theft Prevention Grants. Public Act 41 provided for a restoration of appropriations for the Auto Theft Prevention Grant Program, which had been previously reduced by Executive Order 2007-3 (described below).

Gross	4,000,000
Restricted	4,000,000
GF/GP	0

- b. Adjustments for Solving Projected FY 2006-07 Deficit.** Public Act 41 provided for funding adjustments to various lines to resolve projected FY 2006-07 budget deficits. Appropriations include a \$1,033,200 interdepartmental grant (IDG) from the Department of Community Health Crime Victims Rights Fund; a \$1,298,400 increase in the IDG from the Michigan Department of Transportation State Trunkline Fund; a \$1,175,400 IDG from carry-forward money from the State Emergency Telephone Fund; and \$1.2 million in narcotics investigation revenue. Many shifts were made in budget lines from GF/GP fund sources to other fund sources and those GF/GP funds were shifted to other budget lines to prevent deficits. Technical adjustments also were made across several budget lines to reflect the correct location for Information Technology Services and Projects expenditures.
- c. Security for National Governors Association Conference.** Public Act 41 provided authorization for the Department of State Police to receive reimbursement for security costs for the National Governors Association Conference held at Traverse City in July 2007.
- d. Michigan Public Safety Communication System (MPSCS) Subscriber Fees.** Public Act 41 provided increased authorization of local fees to pay for support and maintenance of the MPSCS.

**Change From FY 2006-07
Initial Appropriation**

Gross	5,421,500
IDG	3,507,000
Federal	714,500
Restricted	1,200,000
GF/GP	0

Gross	700,000
Restricted	700,000
GF/GP	0

Gross	500,000
Local	500,000
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

- 1. Retirement Savings.** Executive Order 2007-3 reduced retirement costs by rebasing the funds of the State Employees Retirement System and the State Police Retirement System, which resulted in a retirement rate reduction for the defined benefits programs. Additional savings were realized from similar adjustments in the retirement rate for retiree health care. The retirement rate reductions were distributed to the affected lines.
- 2. Auto Theft Prevention Grants.** Executive Order 2007-3 reduced Auto Theft Prevention Grant program appropriations by \$4.0 million Restricted. These funds would later be restored under Public Act 41 (described above).
- 3. Information Technology Services and Projects.** Executive Order 2007-3 provided for a GF/GP administrative reduction for the Information Technology and Projects unit.

Gross	(11,019,200)
IDG	(293,900)
Federal	(678,300)
Local	(128,300)
Restricted	(2,616,200)
GF/GP	(7,302,500)

Gross	(4,000,000)
Restricted	(4,000,000)
GF/GP	0

Gross	(9,200)
GF/GP	(9,200)

C. TRANSFERS

1. State Budget Office Letter 05-07-07

- a. Disaster Mitigation Assistance - Hazardous Materials Program.** The legislative transfer was authorized to reflect actual Federal Emergency Management Administration (FEMA)

Gross	0
GF/GP	0

funds received for reimbursement of predisaster and flood mitigation projects in flood-prone areas to the State and local agencies, totaling \$4,901,100. This amount of Federal spending authority was available to be transferred from the Homeland Security appropriations line due to excess authorization for that program.

- b. Grant Alignment.** This legislative transfer was requested to shift \$100,000 Federal from the Highway Safety Planning and Administration line to the Grants to Local Governments and Non-profit Organizations line to reflect where grants were to be disbursed.
- c. Redistribution of Funding to Prevent Projected FY 2006-07 Deficits.** The legislative transfer was authorized to shift available GF/GP revenue totaling \$2,681,800 from At-Post Troopers, Uniform Services, Highway Safety Planning and Administration, and Communications to various lines to cover potential shortfalls in payroll costs and fleet expenditures.

Change From FY 2006-07 Initial Appropriation	
---	--

Gross	0
GF/GP	0

Gross	0
GF/GP	0

2. State Budget Office Letter 08-15-07

Technical Corrections. The legislative transfer was authorized to shift a total of \$96,000 GF/GP from Uniform Services and Information Technology Services and Projects to Criminal Justice Information Center; a total of \$989,100 in forensic science reimbursement from Information Technology Services and Projects to the DNA Analysis Program; and a total of \$989,100 in U.S. Department of Justice funds from the DNA Analysis Program to Information Technology Services and Projects to correct prior funding allocations in Public Act 41 of 2007 and Executive Order 2007-3.

Gross	0
GF/GP	0

3. State Budget Office Letter 09-17-07

- a. Proper Alignment of Technology Expenditures.** The legislative transfer was to shift a total of \$589,000 (\$102,000 IDG, \$331,500 Federal, \$29,500 Restricted, \$125,600 GF/GP) from various lines including Support Services, Hazardous Materials Programs, At-Post Troopers, Motor Carrier Enforcement, Safety Inspections, and Information Technology Services and Projects to various other lines, including Executive Direction, Human Resources, Budget and Financial Services, Traffic Safety, DNA Analysis Program, Uniform Services, Criminal Investigations, Fire Investigations, Motor Carrier Enforcement, and Information Technology Services and Projects, to adjust fund source and line item expenditures to reflect appropriately all information technology expenditures within the proper units.
- b. Authorization for Expenditure of Additional Restricted Funds.** The legislative transfer shifted a total of \$3,173,600 in unrealized restricted funds from the At-Post Trooper line to the Criminal Justice Information Center Division (\$900,000 for Criminal Justice Information Center fees), to Traffic Safety (\$173,600 for traffic crash revenue) and to the Information

Gross	0
GF/GP	0

Gross	0
GF/GP	0

		Change From FY 2006-07 Initial Appropriation	
Technology Services and Projects unit (\$2.1 million in Criminal Justice Information Center service fees) to allow for the expenditure of additional restricted revenue.			
c. Proper Alignment of GF/GP Expenditures. The legislative transfer shifted a total of \$1,040,000 GF/GP from various lines, including Management Services (\$168,000), Laboratory Operations (\$750,000), and Uniform Services (\$122,000), to Executive Direction (\$46,000), DNA Analysis Program (\$750,000), and Emergency Management Planning and Administration (244,000) to align expenditures with correct program lines. The GF/GP funds became available following departmental reorganization, spending freezes, and increases in restricted funding to various lines made possible by Public Act 41 of 2007.		Gross	0
		GF/GP	0
4. State Budget Office Letter 10-26-07			
Worker's Compensation Costs. The administration transfer shifted \$54,000 in available GF/GP dollars from Management Services to the Worker's Compensation line to reflect higher-than-anticipated workers' compensation costs for FY 2006-07.		Gross	0
		GF/GP	0
5. State Budget Office Letter 11-01-07			
a. Michigan Justice Training Fund Grants. The legislative transfer shifted excess authorization of \$150,000 from the Training Administration unit to the In-Service Training unit to allow for the receipt and expenditure of additional Michigan Justice Training Fund grant money for Department training for forensic science, computer crimes, and firearms instruction.		Gross	0
		GF/GP	0
b. GF/GP Match Funds for Grant. The legislative transfer moved \$60,000 available GF/GP support from Criminal Investigations to Auto Theft Prevention to cover State match requirements for auto theft grants awarded to State Police.		Gross	0
		GF/GP	0
c. Information Technology Expenditures. The legislative transfer shifted a total of \$4,250,000 (\$705,000 IDG, \$2,615,000 Restricted, and \$930,000 GF/GP) from various lines (Management Services, Training Administration, Criminal Justice Information Center Division, and Uniform Services) to the Information Technology Services and Projects unit. This was to further properly record information technology costs within the unit. Primarily, the expenditures consisted of storage and hosting costs for the Automated Fingerprint Identification System (AFIS).		Gross	0
		GF/GP	0

DEPARTMENT OF TRANSPORTATION

	FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
FTE	3,030.3	3,030.3
Gross	3,441,865,300	3,408,192,000
IDG	0	0
Federal	1,169,336,300	1,168,679,700
Local	47,500,000	47,500,000
Private	0	0
Restricted	2,225,029,000	2,192,012,300
GF/GP	0	0

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 41 of 2007

Interdepartmental Grant to the Department of State Police. Public Act 41 increased the State Transportation Fund grant to the Department of State Police. Detailed information on the use of these funds is reflected in the Department of State Police section of this report.

Gross	1,298,400
Restricted	1,298,400
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

1. Comprehensive Transportation Fund Reduction. The Executive Order reduced Comprehensive Transportation Fund expenditures by \$20.6 million. Of this amount, \$15.6 million was reduced due to decreased revenue and \$5.0 million was transferred to the General Fund. The list below reflects the line items and the amount of the reductions.

Gross	(34,971,700)
Federal	(656,600)
Restricted	(34,315,100)
GF/GP	0

- Information Technology(\$50,000)
- Specialized Planning Services.....(\$300,000)
- Rail Passenger Service.....(\$813,500)
- Freight Preservation & Development.....(\$500,000)

- Rail Infrastructure Loan Program.....(\$500,000)
- Intercity Bus Service Development.....(\$200,000)
- Terminal Development..... (\$1,340,900)
- Specialized Services.....(\$29,800)
- Bus Capital..... (\$16,317,200)
- Service Initiatives\$233,500)
- Transportation to Work(\$300,000)

2. Transportation Economic Development Fund Reduction. Expenditures from the Transportation Economic Development Fund were reduced by \$6.0 million in the Target Industries/Economic Redevelopment line item. This amount was transferred to the General Fund.

3. Retirement Rate Reduction. The Executive Order made a reduction of \$8.4 million based upon savings achieved through the reduction of FY 2006-07 defined benefit contributions to the State Employees' Retirement System. Re-valuation of the system's assets and a one-year deferral of payments toward the system's unfunded liabilities reduced the Department of Transportation's required contribution payments.

C. TRANSFERS

State Budget Office Letter 05-07-07

Debt Service. The transfer shifted \$333,400 in Aeronautics funds from Airport Safety and Protection Plan debt service to Comprehensive Transportation Fund debt service to support the Aeronautics share of that line item. The excess authorization was available due to the refinancing of 1996A bonds.

Gross	0
Restricted	0
GF/GP	0

DEPARTMENT OF TREASURY - DEBT SERVICE

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
--	---

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

FTE	0.0	0.0
Gross	100,158,200	100,158,200
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	23,914,500	93,914,500
GF/GP	76,243,700	6,243,700

Change From FY 2006-07 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 41 of 2007

Funding Shift. Public Act 67 of 2007 transferred \$70.0 million from the Refined Petroleum Fund to the Environmental Protection Fund. These funds were appropriated in Public Act 41 of 2007 for debt service on environmental bonds, and supplanted General Fund dollars.

Gross	0
Restricted	70,000,000
GF/GP	(70,000,000)

B. EXECUTIVE ORDERS – NONE

C. TRANSFERS

State Budget Office Letter 05-07-07

Great Lakes Water Quality Bond. This transfer provided \$300,000 GF/GP to support debt service for Great Lakes water quality bonds. There was sufficient authorization available from the debt service for the Clean Michigan Initiative due to the difference between the original estimate and the actual cost of the debt service.

Gross	0
GF/GP	0

FY 2006-07 Initial Appropriation	FY 2006-07 Year-End Appropriation
1,697.5	1697.5
388,813,700	392,341,900
13,748,200	13,387,600
35,906,300	35,522,900
1,066,200	1,045,700
0	0
281,583,300	277,241,700
56,509,700	65,144,000
<hr/>	
Change From FY 2006-07 Initial Appropriation	

FTE	1,697.5	1697.5
Gross	388,813,700	392,341,900
IDG	13,748,200	13,387,600
Federal	35,906,300	35,522,900
Local	1,066,200	1,045,700
Private	0	0
Restricted	281,583,300	277,241,700
GF/GP	56,509,700	65,144,000

**Change From FY 2006-07
Initial Appropriation**

Gross	8,597,500
GF/GP	8,597,500

2. Public Act 36 of 2007

Gross	1,000,000
GF/GP	1,000,000

Gross	100,000
GF/GP	100,000

TREASURY - OPERATIONS

4. Public Act 94 of 2007

The public act that increased the income tax rate included an appropriation of \$100,000 for the implementation of the change.

Change From FY 2006-07 Initial Appropriation	
Gross	100,000
GF/GP	100,000

B. EXECUTIVE ORDERS

Executive Order 2007-3

Executive Order 2007-3 included reductions for retirement savings of \$5.8 million (\$707,800 GF/GP), as well as reductions to the following line items: Revenue enhancement program (\$350,000 GF/GP), Mail operations (\$50,000 GF/GP), Collections (\$50,000 GF/GP), Information technology (\$5,400 GF/GP), and Merit award administration (\$50,000 restricted funds).

Gross	(6,269,300)
IDG	(360,600)
Federal	(383,400)
Local	(20,500)
Restricted	(4,341,600)
GF/GP	(1,163,200)

C. TRANSFERS

State Budget Office Letter 05-07-07

- 1. Grants to Counties in Lieu of Taxes.** The transfer provided \$400 GF/GP to make a required payment to Benzie County for the Sleeping Bear Dunes National Lakeshore from the senior citizen cooperative housing tax exemption program. There was sufficient authorization in that program due to lower-than-expected payments.
- 2. Renaissance Zone Reimbursement.** This transfer provided \$480,000 GF/GP for renaissance zone reimbursement from the senior citizen cooperative housing tax exemption program. There was sufficient authorization in that program due to lower-than-expected payments.
- 3. Tax Policy.** This transfer provided \$250,000 of delinquent tax collection revenue to the tax policy line item for litigation expenses associated with lawsuits involving county boundaries for the Saginaw Chippewa Indian Tribe and collection offsets for the Keweenaw Bay Indian Community. There was sufficient authorization in the rent and building occupancy charges due to lower-than-expected costs.

Gross	0
GF/GP	0
Gross	0
GF/GP	0
Gross	0
GF/GP	0

DEPARTMENT OF TREASURY - REVENUE SHARING

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year- End Appropriation
FTE	N/A	N/A
Gross	\$1,107,514,400	\$1,071,104,341
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	1,106,410,000	1,070,892,341
GF/GP	1,104,400	212,000
Change From FY 2006-07 Initial Appropriation		

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS

Executive Order 2007-3

Michigan statute allows local units to conduct a "special census" in years more than three years before or after a Federal decennial census. If the population of a local unit has grown 10.0% or more since the last Federal decennial census, the local unit is eligible to receive additional payments to supplement the regular revenue sharing payment. Public Act 345 of 2006 initially appropriated \$892,400 in General Fund revenue to fund special census payments to eligible local units. Executive Order 2007-3 eliminated that appropriation.

Gross	(\$892,400)
GF/GP	(892,400)

C. TRANSFERS - NONE

D. OTHER ADJUSTMENTS

Revenue Adjustments

The initial revenue sharing appropriations were based on consensus sales tax estimates adopted at the May 2006 Consensus Revenue Estimating Conference. The appropriated levels represented the maximum amount that would be distributed for restricted revenue sharing. Actual sales tax collections were lower than predicted in the May 2006 estimate and thus the full appropriation could not be supported. Actual restricted fund revenue sharing distributions totaled \$1,070,892,341, or \$35,517,659 less than initially appropriated.

Gross	(\$35,517,659)
Restricted	(35,517,659)

DEPARTMENT OF TREASURY - STRATEGIC FUND AGENCY

The initial appropriation was contained in Public Act 345 of 2006. See the *FY 2006-07 Appropriations Report: Part II – Initial Appropriations* published in September 2006 for a detailed description.

	FY 2006-07 Initial Appropriation	FY 2006-07 Year- End Appropriation
FTE	152.0	152.0
Gross	80,479,800	85,826,200
IDG	78,600	78,600
Federal	47,687,000	55,584,900
Local	0	0
Private	700,000	700,000
Restricted	5,000	5,000
GF/GP	32,009,200	29,457,700

**Change From FY 2006-07
Initial Appropriation**

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 17 of 2007

This supplemental appropriation made a GF/GP reduction to the Job Creation Services line. The reduction was part of a target agreement to balance the FY 2006-07 budget.

Gross	(297,600)
GF/GP	(297,600)

2. Public Act 41 of 2007

This supplemental provided additional spending authority for the Community Development Block Grant funding program to bring this line from \$45.0 million to \$53.0 million. These funds are used for infrastructure improvement grants to local units of government that are not eligible to receive the funds directly from the Federal government.

Gross	8,000,000
Federal	8,000,000
GF/GP	0

B. EXECUTIVE ORDERS

Executive Order 2007-3

This Executive Order reduced GF/GP funding in these line items: Administration by \$12,500, Job Creation Services by \$112,500, and Economic Development Job Training Grants by \$1,600,500. Another reduction of \$464,600 was made from the same line items due to a rebasing of the State Employees Retirement System fund, which resulted in a retirement rate reduction for the defined benefit program. Additional savings of \$103,800 were achieved through similar reductions to the retirement rate for retiree health care.

Gross	(2,356,000)
Federal	(102,100)
GF/GP	(2,253,900)

C. TRANSFERS - NONE



RECENT SENATE FISCAL AGENCY REPORTS

"FY 2007-08 APPROPRIATIONS REPORT PART II – INITIAL APPROPRIATIONS"	November 2007	"ESTIMATED STATE SPENDING AND STATE TAX COLLECTIONS BY COUNTY – FY 2001-02"	April 2007	"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW – FY 2005-06, FY 2006-07 AND FY 2007-08"	January 2007
		by David Zin			
"THE MICHIGAN STATE BUDGET FISCAL YEAR 2000-01 THROUGH FISCAL YEAR 2005-06 – SIX YEARS OF SIGNIFICANT CHANGE"	November 2007	"FY 2007-08 APPROPRIATIONS REPORT PART I – GOVERNOR'S RECOMMENDATIONS"	March 2007	"THE MICHIGAN SCHOOL AID ACT COMPILED AND APPENDICES"	November 2006
by Gary S. Olson & Briana Kleidon					
"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW FY 2006-07 AND FY 2007-08"	May 2007	"U.S. AND MICHIGAN MOTOR VEHICLE STATISTICAL REPORT"	February 2007	"BUSINESS TAXES IN MICHIGAN – YESTERDAY, TODAY, AND TOMORROW"	
				by Jay Wortley, David Zin & Randall Juras	
"STATUS OF LAWSUITS INVOLVING THE STATE OF MICHIGAN – FY 2005-06 UPDATE"	MAY 2007	"21st CENTURY JOBS TRUST FUND PROGRAMS"			November 2006
		by Elizabeth Pratt & Maria Tyszkiewicz	February 2007		
"INCARCERATION AND ITS COSTS IN MICHIGAN"	May 2007	"SODAS IN SCHOOLS: THE CONTROVERSY AND POSSIBLE SOLUTIONS"	February 2007	"ESTIMATED STATE SPENDING AND STATE TAX COLLECTIONS BY COUNTY – FY 2000-01"	October 2006
by Lindsay Hollander		by Curtis Walker		by David Zin	
"FY 2005-06 APPROPRIATIONS REPORT PART III - YEAR-END APPROPRIATIONS"	April 2007	"COOL CITIES"	January 2007	"FY 2006-07 HIGHER EDUCATION APPROPRIATIONS REPORT"	October 2006
		by Elizabeth Pratt & Maria Tyszkiewicz		by Ellen Jeffries	

RECURRING SENATE FISCAL AGENCY REPORTS
Appropriations Report – Part I – Governor's Recommendations
Appropriations Report – Part II – Initial Appropriations
Appropriations Report – Part III – Year-End Appropriations
Estimated State Spending by County
Status of Lawsuits Against the State
Higher Education Appropriations Report
Michigan Economic Outlook and Budget Review
Monthly Revenue Report
Monthly Michigan Economic Indicators
State Notes: Topics of Legislative Interest